FBIS DAILY REPORT

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AREA PARLIAMENT, SELA AGREE ON FOREIGN DEBT

PA291331 Madrid EFE in Spanish 0154 GMT 29 Aug 85

[Text] Caracas, 28 Aug (EFE) -- The Board of Directors of the Latin American Parliament and the Secretariat of the Latin American Economic System (SELA) agreed here today that the region's foreign debt is unpayable if conditions are not modified.

Today the Latin American Parliament concluded 2 days of sessions in the Venezuelan capital, during which it prepared the basis for the plenary meeting in Montevideo from 10 to 13 October to discuss the regional foreign debt.

In its meeting with SELA, the president of the parliament, Argentine Luis Leon, recalled that of the $977 billion world debt, 45 percent of this corresponds to the Latin American and Caribbean countries. Leon said that this tragedy was originated by the ambition of the international financing sectors with the cooperation afforded to those foreign interests by groups from the debtor countries.

He charged that Latin America is afflicted by a process of deformation of objectives whereby the principles of unity and social development have been subordinated to other goals, such as arms buildup, he noted.

Leon explained that if instead of spending huge sums on the purchase of weapons abroad, the governments had assigned those resources to improving the living conditions of the peoples and obtaining an integration among all the nations, the situation today would be quite different.

Meanwhile, the permanent assistant secretary of SELA, Homero Luis Hernandez, insisted that if the creditor countries refuse to assume their responsibility in this serious problem, the debt may never be paid.

Hernandez said the payment of the foreign debt is closely linked to such factors as the export of products and a fair price for raw materials by the industrialized nations. He stated that in 1984 Latin American exports totaled $100 billion; that is, only one-fourth the amount of the debt.

He explained that protectionism by the rich countries should be reduced so exports to them may be increased and so that the Latin American countries do not have to choose between eating or paying.

Hernandez said that there is a generalized false belief that Latin America is not fulfilling its commitments. In that regard he pointed out that during 1984 the region canceled -- between amortization of capital and interests -- no less than $37 billion, $3 billion more than in 1983.

He also noted that in 10 years Latin America will have paid the fabulous sum of $400 billion in interests alone, which is more than the total amount of the debt.

The SELA secretary listed four basic points on which this dramatic problem should be considered. The first is recognition that the debt is unpayable as it is now structured.

The second refers to the moral right the creditors may have to demand payment of the credits when they are -- to a degree -- coresponsible for the present situation.

Third, it is necessary that the Latin American countries maintain their economic capacity to grow and develop. Fourth, it is imperative to distribute the sacrifices and burdens between debtors and creditors.

Hernandez pointed out that if these four points are ignored, when the time comes to seek solutions to the problem, it will be impossible to find a feasible, just solution, with the unpredictable consequences this will carry.

During the meeting between the Latin American parliamentarians and SELA, Luis Leon invited the regional organization of economic cooperation to participate in the parliament's October session in Montevideo.

TANA HEAD DISCUSSES RESULTS OF CARTAGENA MEETING

PA291414 Managua Radio Sandino in Spanish 1750 GMT 28 Aug 85

[Text] Regarding the conclusion of the recent meeting of the eight Contadora Group and Latin American support group foreign ministers, Freddy Balzan, executive secretary of the Anti-Imperialist Tribunal of Our America [TANA], said: Bolivar's and Sandino's visionary dreams of a great, united America to confront the northern (?power) are taking shape. He added: The eight foreign ministers agree that the dangers and risks for peace in Central America not only affect this area, but all of Latin America.

[Begin Balzan recording] This group of eight feels that the dangers and risks for peace in Central America not only affect this area, but the entire Latin American continent. In sum, we think that Bolivar's and Sandino's dreams began to take shape in this meeting in which they spoke of a great, united America to confront the northern giant.

I think that the fact that a nomilitary body of inspectors will be formed to verify and control the fulfillment of the pledges included in the document is embodied in the revolutionary government's proposal -- through President Daniel Ortega Saavedra -- to create a neutral zone between Costa Rica and Nicaragua to prevent situations that could affect peace between the two countries. We are convinced that this statement by the eight is historically important -- they have attained this importance since the beginning -- because it will immediately check the plotting activities of the CIA, particularly those of Lewis Tambs, new U.S. ambassador to Costa Rica. He drafted the Santa Fe document, masterminded the scheme to provoke the deterioration of Nicaragua-Costa Rica diplomatic relations, and later an aggression; hence the presence of all the Green Berets currently at the El Murcielago farm and the militarization of the Costa Rican Civil Guard. All of this seems to indicate that two stances confront each other: the U.S. Administration's militaristic, warmongering stance; and the peace stance toward which all Latin American governments have taken very important steps with the statement recently signed in Cartagena. [end recording]

ALFONSIN SUPPORTS FUTURE NICARAGUAN CONSTITUTION

PA291651 Managua Radio Sandino in Spanish 1200 GMT 29 Aug 85

[Text] Yesterday Argentine President Raul Alfonsin met with a delegation of parliamentarians from different Nicaraguan political forces. He agreed with the democratic lines of Nicaragua's future constitution, which he supports as long as it follows these lines. This was reported by FSLN representative Humberto Solis Barker after a meeting with the Argentine president. Solis said that the constitutional initiative contains the principles of democracy, pluralism, self-determination, nonintervention in the internal affairs of other states, independence, nonalignment, and a mixed economy, among others.

FOREIGN TRADE SECRETARY RETURNS FROM EUROPE

PY281735 Buenos Aires Domestic Service in Spanish 1600 GMT 28 Aug 85

[Text] Foreign Trade Secretary Ricardo Campero returned yesterday from Europe, where he talked with members of the Joint Commission that is headquartered in Paris. Multilateral trade, Argentine investment in the EEC and the GATT, and aspects of other possible investment were the main topics of discussion. Campero also visited Barcelona, where he spoke with major importers and he made contact with a group that is interested in investing in Argentina.

Campero asserted that despite the difficulties that are imposed on us by the economies of the northern countries, which are adopting a harsh attitude, Argentina is having success in obtaining new markets with agroindustrial and industrial exports.

FOREIGN MINISTRY INFORMED ABOUT GDR DEFECTOR

PY291617 Buenos Aires TELAM in Spanish 1546 GMT 29 Aug 85

[Text] Buenos Aires, 29 Aug (TELAM) -- According to international press agencies today, the Argentine Foreign Ministry has already been informed that Martin Winkler, who sought refuge in Bonn (West Germany) last Sunday 25 August, has deserted his post as charge d'affaires in the GDR Embassy in Buenos Aires. This information was confirmed to TELAM by Gunter Sickert, second secretary of the GDR Embassy, when our correspondents visited this embassy. In answering TELAM, the GDR diplomat said that the Argentine Foreign Ministry had already been informed about this, and he could not give any further information on the incident. He said that the case is being handled through diplomatic channels.

The 44-year-old East German diplomat, Martin Winkler, who sought refuge in Bonn last Sunday, is an expert on the GDR international policy for Latin America, according to information disclosed by international press agencies that quoted reliable GDR sources.

Ministry Spokesman Comments

PY300401 Buenos Aires DYN in Spanish 2317 GMT 29 Aug 85

[Excerpts] Buenos Aires, 29 Aug (DYN) -- An Argentine Foreign Ministry spokesman today categorically denied that the ministry was aware of the desertion of East German diplomat Martin Winkler on 23 August, when the East German Embassy inquired at the ministry about him. On that occasion the Foreign Ministry stated that foreign diplomats are free and are not under surveillance, so therefore, Winkler could have left the country by air, land, or sea, the spokesman said.

In turn, Gunter Sickert, the second secretary of the East German Embassy in Argentina, refused to either confirm or deny Winkler's desertion.

Meanwhile, a spokesman from the FRG Embassy acknowledged Wilker's desertion, but he denied that the FRG Embassy had anything to do with it.

CGT STRIKE BEGINS WITH DEMONSTRATION, STOPPAGE

PY291942 Buenos Aires Domestic Service in Spanish 1600 GMT 29 Aug 85

[Text] The national stoppage staged by the General Confederation of Labor [CGT] started at 1100. The strike aims to support the socioeconomic proposal, an alternative to that of the government, and the application of resources obtained from a moratorium on the foreign debt to the reactivation of industry. The stoppage, which will last until 2200, includes a demonstration that will take place at 9 de Julio Avenue and Venezuela Street in Buenos Aires. At 1500 there will be speeches by CGT Cosecretaries Oswaldo Borda and Saul Ubaldini.

Buses and taxis will stop running from 2000 to 2200 with a 15-minute symbolic stoppage at 1200. Trains will operate normally after having stopped from 1200 to 1215. Subways are functioning normally and the airlines have partially complied with the strike. River transportation will be affected because the river transport union is complying with the CGT decisions. The banks are operating normally until 1400. Shops run by the owners themselves are open, although the shopowners union has complied with the strike. Theaters and cinemas will open at 2200.

Television channels will begin transmitting emergency programs between 1500 and 1700. Radio stations will interrupt their broadcasts for 15 minutes every hour. Hospital activities have been organized on a shift system as well as those of the light, gas, telephone and sanitary services. Mail will not be delivered and telegraph operators will stop 1 hour per shift.

Strike 'Partially Successful'

PY300411 Buenos Aires Domestic Service in Spanish 2300 GMT 29 Aug 85

[Text] Based on different reports, the Labor Ministry today reported that the national general strike was partially successful. Low absenteeism was registered in the interior of the country, while these levels were higher among the industrial sector of the Buenos Aires Province. The Labor Ministry issued a communique stating that the national transportation and commerce sector worked normally. The communique adds that the Labor Ministry has requested the exercising of the right to strike as well as the right to work.

GOVERNMENT ANNOUNCES NEW ECONOMIC MEASURES

24-hour Bank Closure Ordered

PY291538 Paris AFP in Spanish 1504 GMT 29 Aug 85

[Text] La Paz, 29 Aug (AFP) -- Finance Minister Roberto Gisbert has announced that the Bolivian Government today decided to close the private and national banking sector for 24 hours. This decision was made a few hours before the government is expected to announce its new economic plan.

The measure was taken because the banks will have to bring the value of their assets up to date and the government will issue a series of decrees devaluing the Bolivian peso with regard to the dollar, increasing fuel and staple prices, and applying a new salary and tax scale.

The Central Bank has ordered that bank operations be carried out behind closed doors and announced that the banking system will resume normal operations on Friday 30 August.

It was learned from government sources that package of measures will be disclosed in the next few hours. For this purpose the head of state held a marathon meeting that lasted almost 24 hours with his cabinet and members of the military High Command.

In the meantime, the Bolivian population has swarmed the market places trying to purchase staples before prices go up.

The dollar costs 75,000 Bolivian pesos on the official market, and is bought at 1.4 million Bolivian pesos and sold at 1.5 million Bolivian pesos on the black market.

Disagreements Noted in Meeting

PY291450 La Paz Cadena Panamericana in Spanish 1130 GMT 29 Aug 85

[Report from Government House by Cristina Corrales]

[Excerpt] The joint meeting which began yesterday of the national cabinet, the military High Command, and the president of the Republic is still underway. In 1 hour they will have met for 24 uninterrupted hours. We should recall that this meeting started yesterday at approximately 0845. At this lengthy meeting, the Bolivian economic situation is being discussed. Throughout the night, government spokesmen kept in contact with the media, reporting only that the meeting was continuing.

At 0630 the military High Command, headed by the Armed Forces Commander General Simon Sejas Tordoja, left Government Palace. As they were leaving, the members of the military High Command, who looked quite tired, refused to comment on their exit. I repeat, they left Government Palace at approximately 0630.

Ten minutes later Planning and Coordination Minster Guillermo Bedregal also left Government Palace. It was learned that he was heading for his residence. The minister excused himself and refused to make any statements to the media. The minister looked more tired than the members of the High Command, and left approximately 10 minutes after they did.

Sources close to the Presidency of the Republic last night informed us that the meeting focused on aspects of the new economic plan of the government of the Nationalist Revolutionary Movement. This meeting was apparently marked by discussions and ideological disagreements as well as disagreements over economic issues.

We want to point out that President Victor Paz Estenssoro left Government Palace a few minutes ago. The president is going to the presidential palace now.

The cabinet meeting is almost over; a few last-minute agreements are being reached.

According to Information Minister Reynaldo Peters, the official information would be disclosed after noon today. He said that it would be a complete report that would be disclosed to the media and that it could even be in writing.

Right now, we can see the information minister, who is leaving the room where the national cabinet and the military High Command held an approximately 22 and 1/2 hour meeting.

Information Minister on New Measures

PY291813 La Paz Radio Illimani Network in Spanish 1732 GMT 29 Aug 85

[Report from press room of Government Palace, on Information Minister Reynaldo Peters highlights of Supreme Decree No 21060 establishing the new government economic measures -- live]

[Excerpt] In the first place this decree establishes a single rate of exchange as of today. A second point that should be mentioned involves the available reserves. The decree also establishes the free import of goods, and refers at length to exports. Regarding salaries, the decree establishes that the basic salary will include all bonuses granted to the workers so far. Regulations have also been established to determine and acknowledge holidays. The monopoly on air and land transport has been lifted; the decree establishes the decentralization of the Bolivian Government Oil Deposits [YPFB] and the Mining Corporation of Bolivia (Comibol); and dissolves the Bolivian Development Corporation and the National Transportation Enterprise. These are the most outstanding points of Supreme Decree No 21060.

If any of you have any questions, I would like you to ask them this afternoon, after the entire cabinet attends the congressicnal session at 1900 this evening.

Further Details of Measures

PY292222 Paris AFP in Spanish 2027 GMT 29 Aug 85

[Text] La Paz, 29 Aug (AFP) -- The government of Victor Paz Estenssoro has decided to issue a new economic policy that is based on the deregulation of trade, the establishment of a floating dollar exchange rate on the official market, the decentralization of public enterprises, and a salary freeze.

The new economic policy, which was approved by a decree signed by the president and his cabinet, has neither adopted a position on the approximately $5-billion foreign debt nor has it made any reference to the financial backing needed to implement the new economic model.

After a nearly 24-hour long cabinet meeting, the government decided to adopt a single, realistic, flexible dollar exchange rate system: The dollar exchange rate will now be established twice a week by the Central Bank and will be based on an average rate stemming from official public sales operations.

On the official market the U.S. dollar was worth 75,000 Bolivian pesos, while on the parallel market the U.S. dollar was worth 1.2 million Bolivian pesos.

It has been officially stated that the new economic policy will seek to fight those factors stimulating hyperinflation; to halt the economic recession; and to end supply shortages, unemployment, and growing illegal economic activities.

Upon noting the existing institutional imbalance and the decisive role fiscal deficits play in stimulating inflation, the new economic package seeks to reorganize the job market and to reduce the number of government workers.

Regarding the available resources that are backing the Bolivian peso, it has been decided to use 50 percent of the Central Bank gold reserves as backing and collateral for the new economic policy through the Bank for International Settlements of Basel, Switzerland.

Regarding international trade, it has been decided to establish a system of free imports of goods and services, with the exception of those commodities that can be harmful to public health or to the national security.

The new economic system will provide incentives to promote exports, without discriminating against either the type of product or demanding prior permits or licenses. New scales have also been established for payment of royalties, and income in foreign currency generated by exports must be exchanged at the Central Bank at the new exchange rate.

In addition to reorganizing the job market, the government has established a new basic salary consisting of the previous one plus all additional bonus payments, which will now be part of the basic salary. A new bonus payment that is based on the seniority of the employee will also become part of the basic salary.

The government has also decided to ban the operation of grocery stores for miners that sell commodities below their purchase price. This decision could provoke reactions in several labor sectors, especially among miners.

The decree has announced that effective today all prices of commodities will be deregulated, that no restrictions will be imposed on the marketing of staples, and that monopolistic practices are prohibited.

Upon announcing the termination of the monopoly existing in the air transportation sector, the decree announced the dissolution of the National Transportation Enterprise (ENTA) and granted broad freedom for the establishment of small enterprises or corporations in the public transportation sector.

Public transportation fares will be established locally by each city council. Gasoline will be sold at $.30 per liter, at the rate established by the Central Bank.

The government has decided to decentralize the leading state-owned enterprises (those operating in the mining and oil sectors), and has transferred the assets of the Bolivian Development Corporation to regional development corporations.

The Finance and Planning Ministries will propose monetary reform that will be consistent with the new economic policy.

Finally, the executive branch has designated the Central Bank as the main guardian for the defense of the nation's economic security and institutional system.

Paz Estenssoro Addresses Nation

PY300510 La Paz Radio Illimani Network in Spanish 0202 GMT 30 Aug 85

[Address to the nation by President Victor Paz Estenssoro from La Paz on 29 August -- recorded]

[Text] Fellow countrymen: This message is designed to ask for great sacrifices and dedication and to convey a ray of hope. The nation has now reached the point where it has to face the truth and address the difficult problems and the few chances we have to overcome the widespread dissatisfaction. Let us not harbor (?great) illusions.

We must now urgently begin to correct once and for all two decades of extravagant economic policies, corruption, the use of deceit as a government too, the exploitation of the poor by wealthy sectors, the lack of a desire to work, administrative disorder and inefficiency, the disruption of the production apparatus, and the social and political chaos.

I want to sincerely ask you to believe my words and to have faith and confidence in me. My words are not inspired by concealed interests or by compromises or conflicts with specific sectors or social groups. I am moved by a deep concern for the fate and danger hanging over the Bolivian people if we continue to disguise the truth, and I do not need to resort to hollow words to prove that the country has fallen into an abyss.

It is neither useful nor necessary to repeat here again that we have inherited a terrible situation plagued with misery, neglect, shortages -- which are eivdent and which cause social uneasiness -- to protect ourselves politically or to attempt to reduce our current responsibilities.

To outline past errors and to point to those responsible is a practically useless action that would unnecessarily delay the start of the gigantic task that has been entrusted to us. We will fulfill this task even though we are aware that we will have to make great sacrifices to avert a bankruptcy.

The time has come to dispense with this useless venture of looking for culprits. History, when written in the correct perspective, will take care of this task. For the time being, let us stop looking back and let us stand up and take immediate action (?to save) the fatherland.

We will not fail to discharge our constitutional duty of reporting, with clear figures and descriptions, the situation in which we receive the nation. However, to cite these figures does not mean to say that we are resigned to live in poverty and hopelessness and that we should patiently (?endure) a distressing sense of national destruction. We cannot allow this to happen nor can we accept coexisting with anguish and insecurity, which are hurting us so much. Together we must wage an all-out war against those who are undermining our values and the Bolivian people's ability to survive. It is in adverse times that the true moral strength of a people becomes evident.

To uproot impossible dreams, but not undermine the hope which we must have to challenge misfortune, we can state that it will be to no avail to have democracy if our people are starving to death. Let us speak clearly, without distortions. This will in no way mean ending democracy or reducing it in many way. The objective is to bring dignity to the people by providing them with new jobs and a better standard of living, to which they are fully entitled.

In order to improve this democracy and avoid the temptation of following visionary saviors who have greatly harmed our country in the past, we must turn this democracy based on rights and duties, on social justice and protection for the weakest, into a living reality, not just a philosophical concept or a lot of constitutional provisions, in order to build a better future.

The figures that depict the disaster are overwhelmingly convincing. By listing them I do not intend to discourage anyone, nor do I want to use them to frighten the people or justify a radical therapy as the only solution. These figures depict a situation which does not require lengthy descriptions or demagogic figures of speech. The cold and unfeeling figures paint a frightening picture.

Let us look at a few indexes. The per capita gross domestic product has been declining at a rate unprecedented in the nation's history. In 1981 it fell by 4.1 percent; in 1982 by 11.1 percent; in 1983 by 10.1 percent; in 1984 by 6.6 percent and it is expected to fall by 7.3 percent in 1985.

Reversing this plainly suicidal economic trend will be a task for both the government and and the people of this nation. Unless we work together we can count on calamity of unfathomable consequences.

The reasons for this tragedy are many and complex, but its domestic causes are, among others, the headlong plunge of production, especially of exportable commodities, the low prices of our raw materials, the pitiless speculative economy, the unbridled deficit of the public sector, and the resulting issuance of currency without any backing in order to cover the costs of the administrative structure.

These figures can [words indistinct] no longer be handled by the average calculators. The deficit of the national Treasury shows an unbridled growth: in 1983 it amounted to 175,401 million pesos; in 1984 it was 1,584,790 million pesos; and in 1985 it is 13,383,911 million pesos. Actually, this is only the beginning; the mad dance of the figures has reached an incredible tempo. Public enterprises are facing a deficit that has broken all previous records. In 1983 the state-owned corporations lost 112,913 million pesos; in 1984 the deficit figure has reached unbelievable heights: 31,950,131 million pesos.

The amounts from the national Treasury and the state companies show the following negative results: in 1983, 288,304 million pesos; in 1984, 14,277,671 million, and a deficit of 45,337,042 million pesos has been calculated for the current administration. As if all that were not enough, our unpaid debt was not included in these numbers, since that belongs to a different chapter.

I ask the Bolivian people for their understanding when I point out the numerical details of an unbearable situation which we must modify radically and forever. There is no more time for delaying discussions or proposals. This pitiful reality cannot be solved by an ideology or policy in the world.

The fiscal and state companies' deficits that we have just mentioned have consequently prompted the excessive issuance of money without having the proper backing. The inflationary process grew in the following overwhelming progression: in 1982, 41 billion pesos; in 1983, 133 billion pesos; in 1984, 3.71 trillion pesos; and from January to July of this year, 46.409 trillion pesos. The unrestrained issuance of money has provoked a hyperinflation that makes it almost impossible to precisely calculate the percentage rate for the end of 1985. If extreme, in-depth measures are not adopted, we could easily reach a 44,000 percent inflation rate. This depressive description of our economy, which is virtually in a coma, becomes evident when we observe the accelerated decrease of real salaries and the resulting loss of the people's purchasing power.

Considering these circumstances, any salary increase granted in an attempt to catch up in this crazy race with the market prices would be useless. The salaries will always remain behind the constant increase in the cost of living. There is terrible confusion. No possible solution can be felt without a general stabilizing plan that will correct the country's existing predicament.

As an anecdote, and to illustrate the absurd manner in which our economy was destroying its fundamental bases, we can point out that in 1984 we paid $29 million for the imported bank bills we use. This means that the purchase of the printed bills at our inflationary rate was far more expensive than the nominal value of the bills. This information is a dramatic example of the incoherency under which our national economy was functioning.

The lack of control over inflation has made the prices of the goods and services increase together with the black market dollar. Nonetheless, exporters had to sell their products at official dollar prices, thus creating serious economic distortions for their own stability and normal development. Evidently, this has caused large losses to the Mining Corporation of Bolivia, the Bolivian Government Oil Deposits, and the private sector exporters who chose to store considerable amounts of merchandise instead of having to give it away, or even to get it out of the country illegally. A similar case happened with large volumes of hydrocarbon products.

Concerning this angle of the economic whirlwind that the country has gone through, we can note the sustained drop in exports which have substantially deteriorated over the 1980-1984 period, resulting in a net loss totalling $218 million.

The question is how to meet the [word indistinct]. It has not been our intention to show such a black picture of the true economic situation because of the counterproductive psychological effects. We are not aiming, either, at shocking the conscience of all the echelons of national society. Nevertheless, it is imperative for my government to report to the people a bitter reality that can no longer be concealed.

Dear fellow citizens, our fatherland is dying and it is necessary not to overlook any resource for the implementation of an emergency treatment to save it. The persuasive eloquence of the preceding figures reveal to us that we cannot propose cosmetic measures to resolve the current situation. Either we draw on our moral courage, along with its accompanying sacrifices, to radically propose a new policy, or else Bolivia will simply die, to our great sorrow.

I firmly believe that the time has come to ponder, without selfishness, pettiness, or political or ideological differences, the extent to which each and everyone of the members of our national community can contribute to save our fatherland.

The alternative is to plunge ourselves into the precipice of confrontations which, in addition to not solving our essential problems, will hamper a real solution and will depen the collective anguish. Indeed, it is almost certain that the new economic guidelines that are being established beginning today will be opposed by some political parties and news media, as well as by some forces of the illegal economy. It is also predictable that some echelons, in good faith and not without certain worthy reasons, will back their objections with actions.

Likewise, it is possible that those who are used to making a living on covert speculations and on contraband disguised as legal trade, and the influential groups that take advantage of the official rate of exchange for their shady deals with foreign currency will add their voices to the displeasure.

For those who have been living in the Eden of corruption and at the expense of our people, time has run out.

I frankly announce, and no one can question this, that to practice social justice, we will make everyone shoulder a fair share of the crisis. I will place all the weight of the supreme government and that of the law against dishonest merchants. I will do it and those who profit from disaster are hereby being warned.

The next few months will be filled with toil and sacrifice to get Bolivia out of its almost bottomless pit. There will be no other option that to ask the people, generous and great despite their hardships, for more self-denial and renewed faith in the destiny of our fatherland, in the awareness that we are building a better and safe future.

I have already stated in my inaugural address and I will repeat now: There is no formula to resolve the terrible crisis that is shaking Bolivia other than by merging moral values and tireless toil to permit us to increase the wealth we have, to soundly manage the meager economic and financial resources we possess, to arrange a social truce and convince ourselves that the nation will not rise again unless we understand the magnitude of the catastrophe and the few effective remedies that we have left to revert this overwhelming situation.

I realize that this is a very realistic and tough message owing to its raw sincerity and I am deeply moved.

We have little, almost nothing to share under these circumstances, after years during which a few people increased their wealth while the majority of the people were living in poverty. Now we have nothing to share. Let those who [word indistinct] not smile. I want everyone to clearly understand that the only thing left each Bolivian is an unpostponable task: to save the nation with a creative effort and try to save the sacred heritage that belongs to us all -- Bolivia, which is the beginning and also the end of our lives.

Bolivian men and women: Let us behave with firmness and courage. If each of us does his share in the struggle against poverty, you can be sure that we will win this formidable battle. Time will say whether we have met the challenge or whether we helped worsen the misery of more than 6 million people, of more than 6 million inhabitants of this country, which we have to revive at any cost, so that it may build its own future.

BRIEFS

NEW GOVERNMENT OFFICIALS -- The new government of President Paz Estenssoro has appointed the following new officials: Felipe Antonio Galarza as under secretary of transportation, Humberto Murguia as under secretary of communications, Armando Murillo as general manager of Bolivian Railroads, Jose Valdivieso as under secretary of energy and hydrocarbons, Angel Gomez Garcia as prefect of La Paz Department, Rene Gomez Garcia as president of the Bolivian Central Bank, and Antonio Bernal as general director of Custom House. [Summary] [La Paz Cadena Panamericana in Spanish 1700 GMT 15 Aug 85 PY]

UDI DOCUMENT CALLS NATIONAL ACCORD 'BOOBY TRAP'

PY291652 Santiago Domestic Service in Spanish 2300 GMT 28 Aug 85

[Text] The Independent Democratic Union [UDI] has termed the document known as the National Accord for Transition oward Democracy a booby trap. A 7-point communique signed by the UDI Political Committee states that the document has a much more moderate tone than the proposals made in 1983 by the Democratic Alliance [AD]. The communique adds that UDI shares some of the assessments, while it disagrees with others, adding that it wishes to discourage the public from jumping to wrong conclusions regarding the true scope of the document. It adds that there are vague points in the document, which the UDI understands to be the price that must be paid to obtain the adherence of groups on matters about which they clearly disagree. In points 4 and 5, the UDI communique says the country is not facing a political agreement, but rather a mere sketch which might become a booby trap. It then recalls the Constitutional Guarantees Pact of 1970.

[Begin recording] [Unidentified speaker] It is clear that the country is not facing an effective political agreement but a mere sketch which, presented as an agreement, may become a bogey, acquiring a life of its own and in the end may become a booby trap for the anti-Marxist sectors of the country. The document in question, therefore, is similar to the Constitutional Guarantees Pact signed in 1970 by which the Christian Democrats agreed to elect Salvador Allende president in the Congress (?plenary meeting). The Marxists also apparently agreed to support ideas which reassured the moderate democrats, but in a very different way from what was understood by those who signed the pact [words indistinct]. [end recording]

The UDI then says that this is aggravated by the lack of knowledge of the 1980 Constitution, which is evident throughout the document but which becomes more obvious when it ignores the decision of the Constitutional Court of 31 January 1985 that the Communist Party was unconstitutional.

In conclusion, the communique reiterates the UDI's willingness to consider amendments to the 1980 Constitution which would improve it, but says the UDI will never accept any intention to disown the Constitution in force. It will not accept the objectives of the Marxist sectors, and it will not accept any ambiguities which lend themselves to tampering with the institutions or to antagonisms between civilians and Armed Forces.

Among those who signed the communique are former Minister Sergio Fernandez, lawyer Jaime Guzman, the leaders Maximiano Errazuriz, (Willy Arzu), (Gabriel Leturia), and Jaime Bulnes Sanfuentes, the brother of Francisco Bulnes.

CARABINEROS COLONEL DETAINED, HELD INCOMMUNICADO

PY291529 Santiago Domestic Service in Spanish 2300 GMT 28 Aug 85

[Text] Judge Jose Canovas has ordered that former Carabineros Colonel Julio Luis Omar Michea Munoz, deputy chief of the dissolved Carabineros Intelligence and Communications Agency [Dicomcar], be detained and held incommunicado because of his presumed involvement in the kidnapping of Santiago Nattino and five members of the Chilean Teachers Association. The judge interrogated him twice and then ordered his transfer to the guard of the Court Palace, where he was detained and kept incommunicado and where he will remain awaiting further orders from Judge Canovas, which will reportedly be issued within a few hours, according to defense lawyer Fernando Uribe.

Meanwhile, lawyer Pedro Arrazoa said the defendant, former Captain Hector Diaz Anderson, is no longer being held incommunicado, but is still being detained according to the order given by Judge Canovas.

2 INJURED IN BOMBINGS IN QUILPUE, VINA DEL MAR

PY292151 Madrid EFE in Spanish 1436 GMT 29 Aug 85

[Text] Santiago, 29 Aug (EFE) -- Two bombings took place today in Quilpue and Vina del Mar, both in the fifth region, injuring two people, one of them a newspaper photographer. In Quilpue, Rafael Villar, a photographer for the newspaper EL MERCURIO, was injured while performing his duties in front of the mayor's house. Villar was taken to the local hospital which has reported that he sustained numerous injuries and is suffering from acute anemia. The police reported that Mayor Arturo Longhton's residence was severely damaged.

In Vina del Mar a bomb exploded at the entrace of an apartment building, injuring secretary Emilia Benavides who was taken to the emergency care unit in that city.

YOUTHS OCCUPY BELGIAN EMBASSY IN SANTIAGO

PY292158 Paris AFP in Spanish 2129 GMT 29 Aug 85

[Text] Santiago, 29 Aug (AFP) -- Three Chilean youths today occupied the Belgian Embassy in Santiago to protest the arrest of President Augusto Pinochet's opponents. The group plans to remain in the embassy indefinitely, calling upon the Belgian Government to intercede for the dissidents, according to a declaration that has been delivered to the press. Meanwhile, the Belgian diplomatic mission had nothing to report.

Decrying the Chilean administration, the occupants of the embassy -- two men and a woman -- mentioned the cases of five social leaders who were recently banished for 3 months to remote Chilean townships. These five leaders participated in peaceful street demonstrations against the current regime sponsored by the Committee for Youth Rights, the Neighborhood Coordinating Board, the Association of Persons Arrested or Missing (during the military regime), and the Committee for the Return of Exiles.

A communique issued by the group that occupied the embassy stated that they hope that the Belgian ambassador will send an immediate report to his government and that the latter will intercede for those who have been banished.

REPUBLICAN RIGHT VICE PRESIDENT INTERVIEWED

PY272219 Santiago ANALISIS in Spanish 20-27 Aug 85 p 36

["Text" of interview granted by Republican Right Vice President Javier Diaz to Patricio Acevedo of ANALISIS magazine -- place and date not given]

[Text] [Acevedo] Today, everyone speaks of returning to, conquering, building democracy. What does the right specifically understand by democracy?

[Diaz] Throughout the 12 years of military regime, the right has experienced a process of splitting which now seems irreversible. Large economic groups can be found on one side, and the essentially democratic right can be found on the other side.

What do we understand by democracy? Something as simple and lacking in novelty as a political system in which the branches of the state are separated and the representatives of all citizens are elected in free, openly contested, and pluralistic elections.

[Acevedo] And how can this democratic aspiration be reconciled with the exclusion of a significant sector of the citizens? I am referring to the Popular Democratic Movement MDP].

[Diaz] We have been clear in rejecting the MDP's political tactics. We do not agree at all with insurrection or violence. Those who propose these paths seem to ignore what the Armed Forces are today and the strong logistic support they have. The Armed Forces of today are not the same as they were a century ago. We have emphatically said that for us the democratic system does not exclude anyone in principle; if any sector wants to embark on undemocratic actions, it will make itself liable to the appropriate legal sanctions.

[Acevedo] Specifically, what has caused the definitive divorce from a military regime which you used to encourage in many ways?

[Diaz] It was a sentiment of revulsion that took shape at a given moment. This regime is the antithesis of what we believe and propose, which is something that politically can be translated into a liberal regime, an independent congress, a civilian legislative branch which, being the depository of the will of the majority of citizens, respects the minority, and an independent judicial branch, something that can be economically implemented in the management of public affairs. Why did we divorce? This regime, in my opinion, is the denial of all its original propositions. Therefore, it began to come apart. At this time the regime does not have any viable political or economic projects; it simply tries to stay in power at any cost. It speaks of timetables that have nothing to do with the country's social reality. Fortunately, we can see that at last the political forces are making and consolidating their decisions to replace this regime. Broad agreements will then be possible through the consolidation and identification of political spokesmen. This is very important both for the Armed Forces and for the citizens. I have no doubt that once these spokesmen are well identified and the Armed Forces realize that the country's present course is detrimental for everyone, their own legitimate spokesman will appear.

[Acevedo] Why do you believe that the Armed Forces are going to consider the question of "legitimate" political spokesmen?

[Diaz] I imagine that they, as an institution, analyze the national situation every day. I also believe that they do not intend to stay in power until the next century. And finally, I do not think that political situations are static.

[Acevedo] However, President Pinochet has made long-range projects.

[Diaz] Pinochet is at this time more of a problem for the Armed Forces than for civilians. We have already said that he is an obstacle and in fact the man is an obstacle.

[Acevedo] An outcome negotiated with the Armed Forces?

[Diaz] Not for the time being, but I believe that we should be prepared for the time when a legitimate spokesman for the Armed Forces may want to find a political solution for the country's predicament. We need someone with whom we can reach an understanding. This means that all social sectors must be concerned with the formation of a front that should be prepared to engage in a definitive and serious talk with those who should eventually become the spokesmen for the Armed Forces for the purpose of establishing a stable democratic regime. We should return to the Republic. To that end, we need to show the Armed Forces, which are Pinochet's political party, that they must soon reach an understanding with the civilians because their leader is no longer useful to nor good for them.

THREE-NATION REBEL MILITARY FRONT UNCOVERED

PA291953 Paris AFP in Spanish 1829 GMT 29 Aug 85

[Excerpt] Bogota, 29 Aug (AFP) -- A common military front of subversive organizations from Colombia, Peru, and Ecuador was uncovered in the wake of a clash yesterday between the Army and Colombian M-19 [19 April Movement] guerrillas, during which Ivan Marino Ospina, a former commander of that rebel organization, was killed.

Military sources from Bogota and Cali, sites of the clashes, revealed that the high command of the Colombian nationalist M-19 guerrillas have met with representatives of Peru's Shining Path and Ecuador's Alfaro Lives group over the past few weeks. Yesterday, in a joint operation police and army forces raided a luxurious residence in exclusive neighborhood on the outskirts of Cali, the capital of southwestern Valle del Cauca Department. Several M-19 members and representatives of the other two guerrilla groups were apparently found there.

Military intelligence suspicions about meetings between the M-19, the Shining Path, and the Alfaro Lives were confirmed when an important arsenal including weapons, which were recently stolen by the Ecuadoran guerrillas, was discovered at that residence. In addition, documents found there confirm that meetings had been taking place between the three organizations over the past several days to give advice to the M-19 on a large-scale sabotage plan that was to have been carried out in Cali.

M-19 MEMBER IN EUROPE COMMENTS ON RECENT CLASHES

LD290150 Madrid Domestic Service in Spanish 2200 GMT 28 Aug 85

[Excerpts] [Announcer] The Colombian Armed Forces have killed Ivan Marino Ospina, one of the leaders of the M-19 Colombian political-guerrilla group, which in October 1983 secretly negotiated a truce with President Belisaro Betancur in Spain.

In exclusive statements to RNE, the representative in Europe and member of the national leadership of M-19, Eduardo Rodriguez, now comments on the situation:

[Begin recording] The main responsibility lies with the government, a member of which is the minister of defense, who is a member of the military. He has even been convicted by the courts as a torturer, as being responsible for torture during the Turbay government. In any other government in any other country this would possibly have caused a considerable shockwave, but not in the case of Colombia. Belisario continues to retain him in spite of everything. So, in our view it is not only the Army that has taken up arms and broken the truce, but the government as a whole, when all is said and done the truce was really a unilateral one. Only the guerrilla movement has abided by it. [end recording]

[Announcer] According to M-19, this crisis could even weaken Contadora.

[Begin Rodriguez recording] We are the first to regret the fact that the war is intensifying. Despite everything that has happened we are still willing to seek and arrive at peaceful solutions, not surrender. By solutions, we understand that there should really be immediate changes, structural changes that the country needs because Dr Belisario has a great international reputation, but actually inside the country he has done absolutely nothing.

No one has gained so much standing for so little. We believe that he is losing a lot of influence. Belisario is losing the moral strength that he once had to take proposals to Contadora, because that was when there were going to be negotiations inside the country with the guerrillas -- without a surrender of arms and on the basis of a dialogue between equals. [end recording]

ARMY SEIZES ELN ARSENAL, ARRESTS 3 LEADERS

PA291736 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 29 Aug 85

[Text] Bogota -- A large arsenal was seized from the National Liberation Army [ELN], and three of its leaders were arrested in Bogota. In the action that took place simultaneously with the clashes in Cali between the M-19 [19 April Movement] and the Army which led to the death of Ivan Marino Ospina, the 8th Brigade found large amounts of ELN military supplies in southern Bogota. Submachine guns, rifles, carbines, radiotelephones, chemical substances to make explosives, and Armed Forces uniforms were among the articles that were seized. General Jesus Armando Arias Cabrales, commander of the operation, identified the prisoners as Carlos Ballesteros Vasquez, Concepcion Rodriguez, also known as Agusto, and Israel Ballesteros Vasquez.

VALLE DEL CAUCA RESIDENTS SEND LETTER TO BETANCUR

PA281619 Bogota Television Service in Spanish 0000 GMT 28 Aug 85

[Text] The public order situation in Valle del Cauca Department is delicate and we have had to bear the greatest burden. Production has also been affected. This was stated by Valle del Cauca industrialists and producers in a letter to President Betancur. Here is a report by Raul Gutierrez:

The signatories of the letter to President Betancur are right. Along with the lack of security being experienced by citizens in urban and rural areas, guerrilla violence is the order of the day. Part of the letter states: We, especially those who live in Valle del Cauca, are suffering from an increase in terror that has caused fear and panic among us.

The people of Valle del Cauca maintain that since the signing of the truce 1 year ago everything has changed but for the worse because President Betancur thinks one thing and those who signed the truce think something very different. The letter adds: It was thought that all those who had taken up weapons against society were doing so moved by the desire for social justice and a more just society.

The citizens of Valle del Cauca also ask President Betancur to assume the costs of his action. They state: Every government action always has political, social, or economic costs. These costs have already been assumed by the community and they have been high: assassinations, kidnappings, extortions, unemployment, and despair. To this is now added fear and terror, which show that the citizens spirit has been wounded. In some cases, this might lead to the end of democratic patience. We feel that the inevitable [words indistinct] must be assumed and that we must say this is enough and therefore act.

SEVEN KILLED IN CLASHES WITH GUERRILLAS

PA281948 Hamburg DPA in Spanish 0008 GMT 28 Aug 85

[Text] Bogota, 27 Aug (DPA) -- Military authorities today confirmed the death of seven people, including two noncommissioned Army officers, two policemen, and three guerrillas in armed clashes that took place in the past few hours in Colombia. The Army General Command in Bogota reported that the "Quintin Lame" commando group -- a guerrilla movement of Indian origin -- occupied Padilla, in southwestern Cauca Department, and raided the agrarian fund and the local treasury and tax administration offices. There were no casualties.

In Meseta, in eastern Meta Department, an armed group killed police agents Jose del Carmen Portela and Nestor Escalante during an ambush. Meanwhile, in central-western Quindio Department, two Army sergeants were killed during clashes with 19 April Movement (M-19) guerrillas. An unidentified M-19 guerrilla was killed in that clash. In Florian, Santander, to the northeast of Colombia, two guerrillas of the Revolutionary Armed Forces of Colombia (FARC) were killed during a clash with regular Army troops.

GOVERNMENT ADVISER, COMMUNIST PARTY MEMBER ATTACKED

PA282030 Bogota Television Service in Spanish 1730 GMT 28 Aug 85

[Text] In an attack at 0930 this morning in the western sector of Bogota, attorney general adviser Hector Julio Garzon Ramirez was injured. He was immediately taken to the [word indistinct] hospital. [passage indistinct]

Jaime Caicedo, a member of the Communist Party's Central Committee, was attacked while driving a vehicle near his residence in Bogota. Caicedo is [words indistinct] at the Autonomous University law school, a relative of the Caicedos from Cali, and a militant of the Communist Party. He was shot four times while on the way to work at 0800. Now he is in surgery at the [word indistinct] hospital. Various reports state that a blonde woman in a brown station wagon circled his residence and that the shots came from the station wagon. Thus far, no one has been arrested. Communist Party leaders have blamed the attack on the Ricardo Franco terrorist group.

CORINTO MAYOR KILLED; AREA MILITARIZED

PA291508 Bogota EL TIEMPO in Spanish 26 Aug 85 pp 1 a, 2 a

[By Felio Augusto Plazas and Carlos Campo]

[Text] Cali, 22 Aug -- Corinto Mayor Narciso Norena Valencia, 45, was gunned down today on a street in this town in northern Cauca Department by two armed men who forced him from a house. The government militarized the area to prevent the disruption of public order.

Norena Valencia assumed office on 21 October 1984.

The authorities have no information regarding the murderers' identities or the motive for the crime, which occurred 1 week after commemoration of the first anniversary of the unsuccessful cease-fire accords between the government and the M-19 [19 April Movement] in the local square.

It has not been determined whether the crime was perpetrated by some subversive movement or as a personal revenge.

Corinto Municipal Secretary Flor Maria Moreno reported that public order has not been disrupted.

It was recalled that Norena Valencia was attacked in May. That attack was still under investigation.

The Cauca government secretary traveled from Popayan in order to personally learn about the situation. During the preliminary investigation of the murder, several persons were detained. This crime has increased the feeling of insecurity in northern Cauca.

The 3d Infantry Brigade has ordered the municipality militarized to prevent possible disruption of public order, but it has been reasserted that the situation is normal.

The Corinto mayor was born in Salamina, Caldas Department, where he worked as treasurer in 1970. He had also worked at the Cali custom files, as an inspector in the mayor's office in Cauca, and was acting mayor in Silvia in 1981. Later, he worked as fiscal inspector in 1983.

Secretary Moreno reported that Norena Valencia was at the home of Luis Jurado coordinating the transfer of machinery to El Barranco when two individuals forced him from the house and gunned him down in the street.

Jurado, his wife Doralise, and a son witnessed the crime. Later, they said that the assassins fled in the direction of Los Andes, a mountainous area of the same municipality.

The mayor who was killed belonged to the Liberal Party's Directorate, which is headed by Senator Humberto Pelaez Gutierrez.

In an official communique, acting Governor Alvaro Lopez Osorio states: "The acting Cauca governor regrets to announce to the people that Corinto Mayor Narciso Norena Valencia was killed this morning. The crime is being investigated by the state's security organizations in order to determine the identity or identities of the planners and killers.

"Through Decree 635 dated today, the governor's office has appointed Alvaro Bustamante to replace the mayor. Bustamante is also police administrative inspector and reports to the secretary of the governor.

"Norena Valencia's funeral will be held in Corinto tomorrow, when his daughter Soraya Norena Pera is scheduled to arrive from Ecuador.

"The secretary to the governor, Edgar Dario Daza Garces, will head the government delegation to the funeral to be held Friday afternoon."

In August when an M-19 column occupied the town, attacked the police garrison, and killed several policemen 1 week before a cease-fire accord between the government and the M-19 was signed, Norena Valencia had not assumed office.

Carlos Henao, who was mayor when the guerrillas occupied the town last year, feels that Corinto is passing through a situation of unrest and hopelessness.

PRC DELEGATION ARRIVES IN BOGOTA 27 AUG

PA281328 Paris AFP in Spanish 2326 GMT 27 Aug 85

[Text] Bogota, 27 Aug (AFP) -- A delegation of the PRC's Communist Party arrived in Bogota today to meet with the Conservative Party and the Colombian Government, according to an announcement by the press secretary of the PRC's Embassy here.

The presence in this South American country of the Chinese representation headed by Zhu Liang, deputy chief of the International Liaison Department of the Central Committee of the Chinese Communist Party, is at the invitation of Colombia's ruling Conservative Party.

President Belisario Betancur greeted the Chinese mission this morning. On Friday, 30 August, the group will also meet with Foreign Minister Augusto Ramirez, besides other contacts with former presidents and the presidential candidates of the May 1986 elections.

Upon arrival in Bogota, Zhu Liang said that "there are many points of agreement at the international level" between his country's Communist Party and Colombia's Conservative Party.

The Chinese delegation will remain in Colombia for 1 week and will later leave for Peru.

It was stated that Chinese Prime Minister Zhao Ziyang will visit Colombia the last week in October according to a previously fixed date, which has not been officially confirmed.

FOREIGN MINISTER ON CONTADORA GROUP EFFORT

PA291530 Bogota Radio Sutatenza Network in Spanish 0110 GMT 29 Aug 85

[Text] Bogota -- Colombian Foreign Minister Augusto Ramirez Ocampo said today that the Contadora Group foreign ministers continue working to produce direct talks between Nicaragua and Costa Rica to ease tension along their common border. The minister said that in the past two days he has talked with his Contadora colleagues analyzing the possibility of holding a new meeting to evaluate the situation. Such a meeting could take place in September. Ramirez Ocampo said that, in the meantime, the Contadora Group will not cease making efforts to find a solution to the problem.

GARCIA ANNOUNCES CANCELLATION OF OIL CONTRACTS

PY290354 Paris AFP in Spanish 2221 GMT 28 Aug 85

[Text] Tacna, 28 Aug (AFP) -- President Alan Garcia announced here today the cancellation of contracts granting tax exemptions to foreign oil companies, and said that new contracts will be negotiated within 90 days.

The present contracts had been modified early in 1982, when Pedro Pablo Kuczynski was energy minister under President Fernando Belaunde, hence the name the Kuczynski Law.

President Garcia pointed out that under the terms of such contracts, the taxes paid by oil companies dropped from 68 to 41 percent of their profits. This measure sought to promote oil prospecting. However, the president pointed out that this objective was not attained and that, instead, Peruvian crude oil reserves fell from 800 to 600 million barrels during the 5-year Belaunde administration.

During his electoral campaign, which ended last April with his election by a large majority, Garcia maintained that the three foreign companies operating in Peru received $500 million in excessive profits due to the tax exemption contracts, to the detriment of the state.

The foreign companies operating in Peru are: Belco, which has operated off the Peruvian northern coast for 25 years; Occidental, the main oil producer, operating in the Amazon jungle since 1971; and Oxy-Bridas, a U.S.-Argentine consortium performing secondary recovery operations in the fields that belonged to International Petroleum in Talara. The International Petroleum fields were expropriated in 1968. Oxy is an abbreviation for the Occidental Company.

Garcia came to Tacna, a city near the Chilean border, to commemorate the 56th anniversary of the reincorporation of this city to the country. He chose Tacna as the location to announce that the nationalist government he is heading has decided to recover the Peruvian natural resources to serve the people's needs. He explained that he chose the city of Tacna to make this announcement as a tribute to a city that is the symbol of nationalism, because even though it was occupied by Chilean troops for 50 years after Peru lost a war against Chile in 1879, it never lost its Peruvian spirit.

The decree that President Garcia released today states: Oil field operation contracts signed with Belco Petroleum, Occidental Petroleum Corporation, and the Oxy-Bridas del Peru consortium are hereby canceled. The decree adds that within 90 days the Energy and Mines Ministry will estimate the amount of taxes that were not collected because of the erroneous application of the Kyczynski Law.

It explains that during the same period, new contracts will be negotiated with the contractors. The amount estimated by the ministry will be taken into account, though not in a specific manner, in the new contracts. Apparently, this means that the companies will have to return the unpaid taxes. In fact, the whereas clauses state that the objectives of the Kuczynski Law were not accomplished, and that the contractors abused their rights and caused the state to lose a large sum that has directly benefited the three above-mentioned companies. The decree also says that the attorney general will take legal action against the officials and persons who permitted the erroneous interpretation of the law and thus harmed the interests of the state.

Garcia addressed an enthusiastic crowd in front of the Tacna City Hall, where he also announced some projects for the area. He declared he came to this heroic land to announce a decree that will allow the country to recover its wealth and that will put an end to a colonial situation that has favored foreign interests.

IU Senator Comments

PY291700 Lima Television Service in Spanish 0100 GMT 29 Aug 85

[Excerpt] Let us listen to comments some congressmen made this afternoon. Senators Enrique Bernales of the United Left [IU] and Felipe Osterling of the Popular Christian Party have expressed surprise at a decision made by the government. However, they did not oppose the measure.

[Begin Bernales recording] My first impression after reading a report from the ANDINA press agency is that we are probably seeing a situation that may create juridical controversy because the reason used to cancel the oil contracts indicates that the oil companies may have acted in bad faith. Therefore, the state reportedly lost income or the tax exemption benefits were incorrectly used. This situation could force the state to ask for the return of benefits or the recovery by the state of benefits illegally received. The oil companies may also resort to the law to defend themselves. Therefore, it seems to me that this is very interesting and important not only from the oil policy point of view but also as a precedent in the implementation of oil contracts. [end recording]

Petroperu President Comments

PY292015 Lima Cadena Panamericana Television in Spanish 0315 GMT 29 Aug 85

[Text] Alfredo Carranza Guevara, president of Petroperu [State Petroleum Agency], has said that the cancellation of oil contracts does not mean that the government is going to occupy the affected oil companies or that their operations will be suspended.

[Begin recording] [Reporter] Mr Carranza, in view of the announcement just made by the president in Tacna cancelling the oil contracts with Belco, Occidental Petroleum, and the Oxi-Bridas consortium, what is the situation of these enterprises as of today?

[Carranza] It is the beginning of a process. The cancellation does not mean the physical takeover of the installations or the suspension of oil exploitation operations by the international oil companies working in the country under oil contracts. They can continue working in the areas or sites where they are operating.

[Reporter] How is this 90-day process established by the decree going to develop? How is the process going to evolve?

[Carranza] The evolution of the process is established by several rules. The first thing that the decree has established is the national will to cancel the contracts but the decision to cancel the contracts was not made with the purpose of saying: Gentlemen, we want to break the contract because we made an unjustified unilateral decision. What we are saying is that we, as a country, believe that Law 23231 creating tax exemptions for oil exploration was not applied, was not enforced in accordance with the original purpose or spirit of the legislation. This situation caused a reduction of fiscal income and also a reduction of crude oil reserves, which cost the country millions of dollars.

Under this circumstance, what we are saying is that because of an abuse or an incorrect interpretation of the law, we are cancelling a contract. Once the situation is overcome in the new contract, which is called for by the decree itself, there will be no problem in planning investments for oil exploration, not necessarily as an economic resource for the government but to benefit the country with the oil exploration called for in the contracts, through the tax exemptions which should have been invested according to the law.

[Reporter] Is this then a reinvestment?

[Carranza] It simply means that investment for oil exploration must be made. The way I see it, if the oil companies always wanted to make explorations as originally established and for some reasons that have not yet been established they were not able to do so, the decree opens the possibility of carrying out oil exploration. In other words, the doors are open, the decree has established that this situation can be overcome with the negotiation of new contracts. [end recording]

NICARAGUAN ASSEMBLY DELEGATION ARRIVES IN LIMA

PY300030 Lima Radio del Pacifico in Spanish 1300 GMT 29 Aug 85

[Text] A Nicaraguan National Assembly delegation arrived last night in Lima and will remain here until 31 August. The delegation is visiting Peru to gather suggestions and viewpoints for a new Nicaraguan constituent assembly and constitution.

The Nicaraguan delegation, headed by Humberto Solis Barker, will meet today with Senate President Luis Alberto Sanchez at 1100 and with Deputy Luis Negreiros Criado, president of the Chamber of Deputies, at 1700.

PRESIDENT NOT INFORMED ABOUT U.S. TROOP PRESENCE

PY300420 Madrid EFE in Spanish 1623 GMT 29 Aug 85

[Text] Lima, 29 Aug (EFE) -- Air Force General Cesar Enrico Praelli, chief of the Peruvian joint staff, today admitted that President Alan Garcia had not been briefed on the presence of 247 U.S. Army personnel in Peru. During an interview granted to the newspaper EL NACIONAL, Gen Praelli added that the U.S. troops are not training in Peru in order to invade Nicaragua.

The general explained that the operations which the U.S. forces have been conducting in the Peruvian jungle have to do with an agreement between the commanders in chief of the Air Forces of all the Americas. The high-ranking military officer indicated that the U.S. troops belonging to the U.S. Southern Command headquartered in Panama are carrying out rescue, search, salvage, and survival operations in the jungle. Praelli told the newspaper that these operations are not being carried out within the framework of the Inter-American Reciprocal Assistance Treaty. The U.S. Embassy in Lima had already reported that the presence of U.S. troops in the jungle is a routine matter.

Peruvian Foreign Minister Allan Wagner stated twice that he was not aware that there were U.S. troops on Peruvian soil.

When the first reports about the presence of U.S. marines in the Peruvian jungle started to appear in the local newspapers, I called the president and told him that these were just routine yearly training exercises, the general said.

Praelli also said that since it was a routine training operation involving U.S. and Peruvian troops, there was no need to brief the president any further, despite the fact that according to the Constitution he is the supreme commander of the Armed Forces. Praelli went on to say that in the future whenever this kind of military operation takes place, we will tell the president.

PEACE COMMISSION TO BE FORMED IN 'NEXT FEW DAYS'

PY292300 Lima Radio del Pacifico in Spanish 1700 GMT 29 Aug 85

[Text] Prime Minister Luis Alva Castro announced yesterday that the peace commission will be formed in the next few days and that important sectors of the Peruvian society will be represented on it. He remarked that the delay to set up the commission is due to the care that must be exercised when choosing its members. The commission will be in charge of pacifying the country, will safeguard human rights, and will (?cooperate) with the judicial branch to speed up trials.

TUPAC AMARU DENIES MEMBER INVOLVED IN MURDER

PY281505 Lima Televisora Lima in Spanish 0415 GMT 28 Aug 85

[Excerpts] Our newscast is now going to give more evidence of its complete independence. Our newscast is considered the best of its kind on Peruvian television. Today we were invited along with the newspaper HOY of the APRA [American Revolutionary Popular Alliance] and the Communist daily MARKA to an unusual press conference given by the clandestine Tupac Amaru Revolutionary Movement [MRTA]. A team of newsmen went to cover the conference despite the risks involved. Our reporter obtained for the first time information on the background of MRTA member Nestor Serpa. By providing the following clip we do not necessarily support its content.

[Begin recording] The MRTA says:

1. On 20 August the media reported on the information provided by the Investigative Police of Peru identifying Nestor Fortunato Serpa Carpolini as a participant in the killings of three marines on 16 August in Villa Maria del Triunfo.

2. In view of the seriousness of the charge, the MRTA believes Comrade Serpa must publicly admit his MRTA membership by explaining directly to the media that he has no links with either the Peruvian Communist Party or the Shining Path and that he did not participate in that attack.

We demand that the Interior Ministry clarify why our comrade was linked to actions contrary to our principles, that a thorough investigation be made into the violation of human rights, corruption, and drug trafficking (?by members of) Dircote [Antiterrorist Directorate], and that the violators be publicly identified. No to the provocations of Dircote and the right-wing press! With arms and the masses, we will win! [end recording]

FOREIGN MINISTER DISAGREES WITH MONGE ON CONTRADORA

PA290425 Caracas Television Service in Spanish 0000 GMT 29 Aug 85

[Text] Foreign Minister Simon Alberto Consalvi said today at Miraflores Palace that he does not share the opinion of Costa Rican President Luis Alberto Monge, who said the Contadora Group seems to be inclined more to protect Nicaragua than his country.

[Begin recording] However, I would say that the Contadora Group countries as well as the support group countries have worked with dedication and in a manner we feel is completely balanced, seeking peace in Central America, for all the countries in Central America, with no discrimination. [end recording]

ACTING ENERGY, MINES MINISTER ON OIL INDISTRY

PA290356 Caracas Television Service in Spanish 0000 GMT 29 Aug 85

[Report by Elsy Barroeta from Miraflores Palace -- recorded]

[Text] [Barroeta] On the eve of the 10th anniversary of oil nationalization, Acting Energy and Mines Minister Hernan Anzola has recalled that that was a moment when everyone shared the same opinion. He also said we should definitely feel very proud of the nationalization of our oil, and then went on to explain the achievements made in the last 10 years.

[Anzola] In these 10 years of nationalized petroleum industry, we have achieved the goals we set, such as outlining -- according to our best judgement -- the strategy we must follow with this, our main source of wealth. Basically, that success can be measured by the fact that today we have an oil industry that is sound and strong, capable of facing the challenges of the present and future, and of continuing to be the basis of our economy in the years to come.

[Barroeta] We also managed to talk with the acting energy and mines minister concerning the situation of the Shell refinery in Caracao. As you know, the Curacao Government is discussing with the Shell Company the future of the refinery. Later, Venezuela might decide to rent the refinery from the Curacao Government.

[Anzola] That refinery has managed to develop a market throughout its many years of operation, and it is very logical and profitable for us to supply those markets.

[Barroeta] Would Venezuela have a right to those markets?

[Anzola] It would be advisable if that refinery were to continue supplying the same markets whenever it changes owners.

[Barroeta] Concerning any short-term investments in the refinery in order for it to continue operating, the acting minister pointed out that Curacao would have to pay that bill. He was very clear when he said that he who puts the house up for rent, is the one who pays the bills. From Miraflores Palace, this has been Elsy Barroeta, for the La Noticia newscast.

Visits on Tour of Area

CANADIAN PEACE GROUP VISITS ON TOUR OF AREA

F1291355 Mexico City NOTIMEX in Spanish 0050 GMT 29 Aug 85

[Excerpts] Mexico City, 28 Aug (NOTIMEX) -- The Commonwealth of Canada is aware of the economic, political, and social deterioration in Central American countries, which is why it is willing to assist in the process of negotiations of the Contadora Group.

Members of the delegation "Mission for Peace," which is touring several Latin American countries, made the statement, and added that during their stay in Mexico they have met with Senate leader Antonio Riva Palacio as well as Under Foreign Secretary Ricardo Valero.

Karl Friedmann said the Canadian people know about the military growth in Central America, and about the impact recent events have had, events such as the U.S. Congress decision to grant more economic aid to contras in Nicaragua.

Leonard Johnston said a possible failure of the military negotiations in the region could affect the countries' self-determination. The members of the delegation said their country advocates the self-determination, freedom, and sovereignty of the peoples. In this respect, Daniel Benedict added that no country should maintain a permanent policy toward another nation, and said that Canada's position is contrary to that of the United States in Central America.

The delegation will continue its tour of El Salvador, Honduras, Costa Rica, Cuba, Washington, and New York, where its members will meet with representatives of Contadora Group countries in the United Nations as well as representatives of the Lima group and officials of the UN Secretariat.

COMMUNICATIONS, TRANSPORTATION BUDGET ADJUSTED

PA291359 Mexico City XEW Television Network in Spanish 1300 GMT 28 Aug 85

[Text] The Communications and Transportation Secretariat has announced adjustments to its budget. It reported that 132 administrative offices have been eliminated as well as 1,229 jobs. It added that among the jobs that have been eliminated are: 1 general coordinator, 10 general directors, 11 area directors, and 33 departmental chiefs, which represents a reduction of 26 percent of its organization.

The area general coordinator, the coordination general directorates of centers and technical controls, accounting, organization, methods, and general services, and the payroll, social services, and cultural services are also disappearing.

Meanwhile, the auditing and area control departments are being reorganized. A total of 723 of the jobs are being eliminated are those of general directors, deputy area directors, and technical support jobs. In the area of airports and auxiliary services, the Mexican Telephone Company, Mexicana de Aviacion, AeroMexico, and the roads and bridges department, among others, a total of 94 internal positions are being eliminated, which results in a loss of 596 jobs. The Communications and Transportation Secretariat reported that the savings and reduction in operation costs in this sector total 86 billion pesos.

BELIZE

MINISTER ATTENDS YOUTH CONFERENCE, CARICOM MEETING

FL271825 Belize City Domestic Service in English 1300 GMT 27 Aug 85

[Excerpts] The minister of tourism, transport, education, youth, and culture, Mr Derek Aikman, is representing Belize at the Caribbean Youth Conference in St Thomas in the U.S. Virgin Islands. From the U.S. Virgin Islands, Minister Aikman travels to Guyana. In Guyana he will attend the meeting of Caricom ministers responsible for culture at the Secretariat headquarters in Georgetown, Guyana, from August 31 to September 2. The 2-day meeting will discuss the future of the Caribbean Festival of Creative Arts, Carifesta, the Caribbean focus in 1986 in London; and [words indistinct] to establish a committee to force more cultural exchange between Caricom-member states.

GOVERNMENT APPOINTS ISRAELI REPRESENTATIVE

FL271622 Belize City Domestic Service in English 1300 GMT 27 Aug 85

[Text] An honorary consul of Israel and Belize has been appointed. He is Belizean businessman Mr (Naftuli Wischenka). Mr (Wischenka's) commission was formally presented to him by the minister of foreign affairs, Mr Dean Barrow, during a short ceremony in his Belmopan office yesterday. The commission was signed by the Israeli president, Mr Chaim Herzog, and countersigned by Mr Yitzhak Shamir, the Israeli foreign minister. The Israeli ambassador to Belize with residence in San Jose, Costa Rica, is Mr David Tourgeman. The Government of Israel appointed Mr (Wischenka) with effect from 27 May of this year.

COSTA RICA

MONGE PRAISES U.S. TIES, ASSERTS NEUTRALITY

PA291930 San Jose Radio Reloj in Spanish 0100 GMT 29 Aug 85

[Text] Costa Rican President Luis Alberto Monge acknowledged the full support the Reagan administration has afforded Costa Rica's efforts to win the battle against poverty, while stating that the country needs the support of its democratic allies now more than ever. In that same context, the president said: That great North American nation has always extended its generous hand toward Costa Rica. It has offered effective solidarity and genuine understanding without setting conditions of any kind.

The president continued: Costa Rica believes in the principle of nonintervention in the domestic affairs of states and deeply respects this. Costa Rica does not encourage or justify aggressions against any country, but struggles for peace while condemning war. Thus our unilateral, voluntary [word indistinct] and our perpetual, active, and unarmed neutrality. However, the president pointed out that while Costa Rica is neutral with regard to military confrontations, it has not renounced ideological struggle because it is a loyal follower of Western democracy.

We reject militaristic policies and offenses to man's dignity. We dream of a democratic Latin America while pointing out the futility of armed, violent aggressions, concluded President Monge, as he addressed the crowd assembled for the ceremony to lay the first stone of the new U.S. Embassy in San Jose.

FIGUERES 'NOT AUTHORIZED' TO REPRESENT GOVERNMENT

PA300148 San Jose Radio Impacto in Spanish 1830 GMT 29 Aug 85

[Text] Costa Rican President Luis Alberto Monge has stated that Costa Rican roving Ambassador Jose Figueres Ferrer is not authorized to represent the government in the peace mission that is to visit Nicaragua. The former president and current roving ambassador will head the mission that will leave for Nicaragua at 0500 local time.

Monge warned that Figueres' trip must be strictly personal because our government is not willing to sit down and talk with the Sandinists. This will be considered when the commanders satisfactorily explain recent events.

LEGISLATOR TURNS DOWN NICARAGUAN INVITATION

PA291519 San Jose Radio Reloj in Spanish 0100 GMT 29 Aug 85

[Text] Guillermo Vargas Sanabria, president of the Costa Rican Legislative Assembly, turned down an invitation by Nicaraguan legislators to meet on Costa Rica's northern border to discuss ways to resolve the differences between the two countries. Vargas Sanabria said that the invitation included a tour with Nicaraguan and Costa Rican legislators and members of the foreign press -- as Costa Rica's press has reportedly sold out to CIA interests -- through the San Juan River area and other areas near the common border. The tour was to be led by Nicaraguan union leader Jose Joaquin Menendez.

SECURITY COUNCIL ORDERS CONTRA INVESTIGATION

PA291245 San Jose Radio Reloj in Spanish 0100 GMT 29 Aug 85

[Text] Deputy Government Minister Manuel Carballo Quintana reported that this morning the Security Council agreed to order the investigation of the presence of counter-revolutionaries in the country's northern sector. The Intelligence and Security Directorate has been placed in charge and must submit a report on the farms and the groups or persons who operate from them. The report must be ready by next week and has been ordered due to recent charges by neighboring municipalities and development associations regarding the presence of Sandinists.

In addition, Carballo said that new operations will be carried out in the northern area in the next few days to ensure control of the region by Costa Rican authorities. The activities under question oppose the government's neutrality policy and that is why the Security Council ordered measures to uphold this doctrine.

Regarding this, Colonel Oscar Vidal said that meetings will be held prior to the planned operations and that there is one meeting already pending in Upala; it is necessary to determine whether such meetings can be held at the same time as those planned by the Security Council.

At the order of the Security Council, control in the northern area will also cover the use of private landing strips. The Civil Aeronautics Board will be instructed to draw up regulations for closer control of the use of such landing strips. The board's instructions will be disseminated through the Government Ministry and the regulation will soon become law.

SOVIET EMBASSY PERSONNEL EXCEEDS LIMIT

PA291726 San Jose LA REPUBLICA in Spanish 21 Aug 85 p 8

[Spelling of names as published]

[Text] More than 40 Soviets, a number that surpasses those in previous years, are associated with their country's embassy in Costa Rica.

This situation exists even after the Foreign Ministry limited the number of Soviet officials in that embassy to eight.

In the list presented to the Foreign Ministry, there are in fact 8 Soviet officials plus some of their wives, which brings the total number to 14.

However, the Costa Rican authorities have another list in which the number of Soviets is near 40 without including wives or trade mission personnel. This means that the total number is even higher.

The authorities say that this is irregular, especially because this comes after the Costa Rican Government ordered a reduction in the number of persons in the embassy.

Costa Rica has a very limited relationship with the Soviet Union and on more than one occasion delicate situations have arisen. Therefore, investigators ask: What are so many Soviets doing in the country?

In the following lists -- which we clarify are not complete -- one can note the difference between the list of personnel and relatives that the Foreign Ministry knows about and the list being investigated by the authorities.

Yuriy Pavlov, ambassador; Valentina A. Pavlova, wife; Yuriy Gorojov, counselor; Alla M. Gorojova, wife; Aleksandr I. Karpov, chief of the commercial representation; Irma N. Karpova, wife; Aleksandr Glastkov, second secretary; Lyubov S. Gladtskova, wife; Sergey V. Evtiujin, third secretary; Lyubov V. Evtiujina, wife; Boris S. Briushkov, attache for consular affairs; Tatiana P. Biruskova, wife; Gennadiy Sinev, press attache; Valentin Chekhanov, attache for protocol affairs.

Real List of Soviets in the Embassy

Yuriy Pavlov, ambassador; Valentina Alexsandrova Pavlova, wife; Sergey Pavlov, son; Yuriy Patrovich Gorojova, counselor; Alla Gorojova, wife; Boris Briushkov, consul; Tatiana Briushkova, wife; Yelena Briushkova, daughter; Valentina Chekhanov, attache for protocol affairs; Olga Chekhanova, wife; Nikolai Kliuyev, cultural attache; Lidia Kliuyev, wife; Gosha Kliuyev, son; Anatoly Sementsov, attache; Faina Sementsov, wife; Vadim Yefremov, telex operator; Galina Yefremova, wife; Mikail Alferov, attache; Lyudmilla Alferova, wife; Vladimir Borovikov, storekeeper; Lyudmilla Borovikova, servant; Slava Schcherbakov, driver; Yaleva Schcherbakova, servant; Aleksandr Bulgarov, attache; Lidia Bulgarova, bookkeeper; Vadin Aleksandrov, administrator; Yelena Baklashova, secretary; Victor Chevardorv, administrator; Vyacheslav Chervakov, driver; Antatoli Fedotov, administrator; Yelena Isayeva, commercial secretary; Alksander Kapov, trade representative; Victor Kropotov [position not given]; Boris Molchalov, merchant [commerciante]; Lyudmila Rosanova, secretary; Gennadiy Borishvich Sinve, second secretary.

CODELIDE DENOUNCES ARMS BUILDUP, MILITARIZATION

PA281650 Mexico City UNOMASUNO in Spanish 24 Aug 85 p 12

[Article by Alberto Carbot; capitalized passages published in italics]

[Text] During a news conference held yesterday, the Coordinating Board for the Defense of Costa Rica's Democratic Liberties (Codelide) affirmed that Nicaragua's contras are operating from inside Costa Rican territory with the "veiled collaboration of some officials of the Luis Alberto Monge administration." Codelide added that in that country there are over 300 clandestine landing strips and several training centers in the northern area run by U.S. war veterans.

After noting that the Monge government has endorsed an increase in the number of police and paramilitary officers by over 30,000, Codelide stated that Costa Rica is experiencing an accelerated process of militarization and arms buildup partially supported by U.S. contributions totaling approximately $1 million per day.

Rodrigo Jauberth Rojas, of the Economic Research and Teaching Center [Centro de Investigacion y Docencia Economica, CIDE] and leader of the Mexican-based Codelide, discussed the topic THE CONTRAS PRESENCE: THE MILITARY AND THE WEAPONS: WHAT FOR? He said that since 1982 Costa Rica's Deputy Government Minister Fernando [as published] Chacon has silently permitted the influx of anti-Sandinist ARDE [Democratic Revolutionary Alliance] members and even members of the FDN [Nicaraguan Democratic Force], made up of former Somozist guardsmen.

Jauberth Rojas stressed that the Costa Rican Civil Guards' budget has grown excessively in order to purchase modern weaponry, and that there has been an increase in the BOOKING [FICHAJE] of leftist leaders by the government espionage committees. Rojas based the Costa Rican Government arms buildup on three points that President Monge has considered "part of the country's needs."

"It is necessary to train the Civil Guard against organized crime."

"We must prepare the Civil Guard to counter domestic subversion."

"We must prepare the Civil Guard against an armed invasion."

The CIDE researcher and Codelide coordinator warned that the formation of paramilitary groups began in 1983 and there are currently 35 "civilian-military training" centers.

Moreover, Ana Cecilia Jimenez, of the Center for Central American Research and Humanitarian Aid [Centro de Investigacion sobre Centroamerica y de Ayuda Humanitaria, CICAH] discussed the topic PEACE AND NEUTRALITY: CHALLENGES AND STRATEGY FOR THE POPULAR MOVEMENTS. She said that since the financial balance or emergency law began to be implemented in January 1984, most people have experienced a sharp reduction in basic consumer products and a 10 percent increase in unemployment.

To conclude, Rodrigo Paez, who discussed the topic FEBRUARY 1986 ELECTIONS: WHAT FOR?, said that the candidate most likely to succeed current President Luis Alberto Monge is Rafael Calderon Fournier of the Social Christian Unity Party (PUSC). Fournier is the son-in-law of former Morelos State Governor Armando Leon Bejarano, who is "quite possibly living peacefully in Costa Rica."

EL SALVADOR

MNR, MPSC CALL FOR CONTINUATION OF DIALOGUE

PA291450 San Salvador EL MUNDO in Spanish 27 Aug 85 p 17

[Paid advertisement by the National Revolutionary Movement, MNR, and the Social Christian People's Party, MPSC]

[Text] Our parties, the MNR and the MPSC, set forth for the Salvadoran people their position regarding the war situation and the alternatives to attain peace in our country.

It is necessary to find out why and who is responsible for prolonging the war which is now in its 5th year in El Salvador.

The increasing military, political, and economic intervention of the U.S. Government has been and still is the determining factor in the continuation of the war in our country. The Reagan administration is deciding from Washington and through its embassy in El Salvador what should be done in the military, political, and economic areas; how and when. It is not necessarily because of its love of the Salvadorans that the Reagan administration is sending $1.5 million daily to Duarte's regime. This money is basically used to maintain and continue the war, and to reinforce the boss-servant relationship.

The Reagan administration has the delusion of winning the war in El Salvador. The counterinsurgency military strategy it has imposed on the Duarte regime and the Army seeks to push the FMLN to its rearguard areas in the northern part of the country in order to isolate, weaken, and then defeat it.

This military strategy has failed year after year and the stubbornness to continue with it only causes the extension and generalization of the war at the cost of the lives of thousands of Salvadorans.

The government is trying to carry the war to the north, to the FMLN, and to the guerrillas' rearguard. Obviously the guerrillas are trying to defeat this strategy and are advancing in the opposite direction; that is, to the central and western regions. While the government fails in its plans, the FMLN is advancing. We must remember that just 1 and 1/2 years ago there were no guerrillas in the western part of the country but today there are guerrillas in that region. The same was true in the northern part of La Paz Department but today FMLN forces are also operating in that zone. Only 2 years ago the Army bragged about clearing Cabanas Department of guerrillas, yet there is fighting under way in this department every week -- not to mention the eastern part of the country that has become a permanent theater of clashes just as Chalatenango, Cuscatlan, San Vicente, and other departments. As you can see, the war is spreading daily.

It is not possible for a war that is being prolonged, increased, and spread to spontaneously have areas of peace. In the capital and main cities the government is waging its dirty war using state terrorism with political persecution, disappearances, the repression of workers, torture, and clandestine prisons.

The control it has over the main cities allows the government to make them into support military bases. The main logistical supply centers, air bases, large military garrisons, military intelligence centers for war and repression, training bases, and the general staff are in the capital. In other words, the cities are the Army's military rearguard just as Chalatenango and Morazan are the FMLN's rearguard. The Army carries out incursions into the FMLN's rearguard; therefore, it is logical for the FMLN to also carry out incursions into the Army and repressive corps' rearguard.

By choosing the alternative of prolonging the war, the Salvadoran regime and its boss, the Reagan administration, cannot expect the main cities to be open zones where the guerrillas cannot act.

We have often proposed a negotiated political solution as the humane and rational alternative to solve the conflict.

Therefore, if the dialogue for a negotiated solution of the conflict is rejected or indefinitely postponed, the war will continue, extend, and inevitably reach the cities, which cannot remain untouched while the countryside is undergoing a bloodbath.

If the Duarte regime continues to refuse to negotiate a political solution, it will be directly responsible for promoting a military policy that will prolong and extend the war to the cities. This responsibility cannot be prevented with demagoguery, but with specific political actions. Whoever wants peace should do something about it and provide the means to make it possible.

The MNR and MPSC, members of the FDR, insist that the only political and peaceful solution can be attained through a dialogue and negotiations without preconditions. We reiterate our willingness to resume the dialogue broken by Duarte and we urge him to honor the words pledged to the people days before the March elections, when he promised to make the Ayagualo agreement good and to hold the third official dialogue meeting after the elections. The Episcopal Conference of the Salvadoran Catholic Church has solemnly asked for this. Four months have passed since the elections. There is no more time for excuses and games. The lives of Salvadorans depend on the attitude assumed by the Duarte regime in favor or against Reagan's will.

The MNR and MPSC are aware that to obtain peace with justice demands an increasing struggle and sacrifice from large sectors of the population.

Four our part and preserving our identity, we maintain our alliance with the FDR and the FMLN, and are willing to continue cooperating in the political aspect and working to try to incorporate more sectors of the population to broaden and strengthen our political and social foundations in order to reach the objectives of peace, democracy, and independence.

We are convinced that the war imposed on our people and its continuation should end as soon as possible. The war is an undesirable phenomenon that takes the lives of people. It should be prevented by all means. The humanization of the war means precisely that; therefore, it should not cause unnecessary harm if it can be prevented.

As long as the war continues, both feuding parties should make every effort to respect the lives of civilians and to comply with the treaties and protocols of Geneva. We will remain on the alert to this aspect, which we consider important and which affects the civilian population's security. In the past we have expressed our disapproval of specific FMLN military actions because of the consequences for the civilian population. However, it should be made clear that state terrorism in the cities and the scorched earth war in rural areas as carried out by the Duarte regime leaves very little space for the humanization of the war.

The humanization of the war is based on the treaties and protocols of Geneva which the Salvadoran Government signed and which it must abide by. So that there would be no doubt about this, the UN General Assembly and the UN Human Rights Commission issued resolutions in December 1984 and March 1985, respectively stating that in the Salvadoran conflicts the treaties and protocols of Geneva should be complied with on issues related to armed conflicts that are not international.

However, while the FMLN gives the prisoners of war humane, proper treaty and turns them over to the International Red Cross or the Catholic Church, the Army does not take or release war prisoners. The Army destroys villages and towns, causing the death of civilians by indiscriminate bombing. The Army forces hundreds of civilians to leave Guazapa and other areas, and then takes them to concentration camps, which cannot be called refugee camps. The Army also destroys FMLN hospitals and kills its medical and paramedical personnel. All of these actions are an open violation of the Geneva treaties.

We demand that the lives of civilians be respected in the cities and the countryside. Therefore, we are speaking on behalf of the 50,000 civilians killed by the regime's repressive apparatus: We speak on behalf of Msgr Oscar Arnulfo Romero, Enrique Alvarez, and other FDR leaders; the church women and the U.S. agriculture assistants; the trade union members and the teachers who have disappeared.

Finally, we demand the end of massive, selective repression and the dismantling of the death squads and of the state's repressive forces.

These points should be included in the dialogue agenda so that both parties can assume definite commitments and gradually advance toward solving the conflict. The opposite will mean more destruction and death and will only postpone the people's movement for liberation and independence, and the conquest of peace with justice and in democracy. Without negotiation there is no solution.

MNR, MPSC

HONDURAN REPRESSION IN REFUGEE CAMPS ALLEGED

PA300433 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 30 Aug 85

[Text] Attention, close attention. Attention Salvadoran people, local and foreign press, Honduran people, and Honduran press. Attention, close attention: The following is a last minute report on the situation of the Salvadoran refugee camps in Colomoncagua.

The report states that today, 29 August, at 1400, shots were fired near the Salvadoran refugee camps in Colomoncagua. The Honduran Army has increased the number of soldiers who militarily surround the refugee camps. It is still not known whom the Honduran troops were shooting at.

The report adds that during the afternoon hours of this Thursday, 29 August, the deployment of troops continued while Honduran helicopters continued to fly over the defenseless Salvadoran refugee camps.

This is a warning regarding the possibility of a massive repressive action against the defenseless Salvadoran refugees, including more than 3,000 children. The rest of the refugees are mostly women and old people.

The U.S. Embassy in Honduras, the Honduran High Command, and the Honduran Government have psychologically pressured the refugees. This is part of their plans to get the refugees out of the area and forcibly repatriate them to El Salvador. They have considered the use of provocations that would allow them to use force and carry out brutal actions against the refugees.

Since 1983 the U.S. Government and the Honduran Government and Army have drafted several plans to eradicate refugees from the border area and create conditions for the Honduran Army to cooperate with the Salvadoran Army in military operations against Morazan Department.

The idea of eradicating refugees from the border area is something the U.S. Government considers a necessity to prepare the conditions for an eventual intervention with its troops.

We alert the local and foreign press, the Salvadoran people, and the brother people of Honduras to any brutal action of a repressive nature that occurs in Colomoncagua by the Honduran Armed Forces. This action is against the defenseless refugees in Colomoncagua.

To our fellow countrymen who are refugees in Colomoncagua, we call on you to be firm and confront, with dignity and struggle, any aggressive attempts by the Honduran Army. Keep yourselves on the war path in defense of the national sovereignty. Your struggle against repatriation is a contribution to the struggle against the U.S. Government's interventionist attempts against our Salvadoran homeland.

GUATEMALA

HUNDREDS ARRESTED IN WAKE OF STUDENT DISORDERS

PA292249 Paris AFP in Spanish 2140 GMT 29 Aug 85

[Text] Guatemala City, 29 Aug (AFP) -- Hundreds of persons were arrested this afternoon by the antiriot police after secondary education students burned at least six buses in downtown Guatemala City, where disturbances broke out today lasting more than 8 hours.

Law enforcement forces did not step in at the outset of the disturbances when approximately 2,000 students virtually occupied the downtown part of the city, but this afternoon they stepped in to disperse the demonstrators.

The students are protesting an announced increase in the price of urban bus fares, which on 1 September will increase from 10 to 15 cents of a quetzal, which is on a par with the dollar officially.

Firemen sources told AFP that "at least six buses were burned this morning" and several more were stoned by the students, who also damaged several commercial establishments. The students attacked several local television cameramen and correspondents who were covering the disturbances.

MINISTER DENIES EXISTENCE OF CLANDESTINE PRISONS

PA291235 Guatemala City Cadena de Emisoras Unidas in Spanish 2350 GMT 28 Aug 85

[Text] There are no clandestine prisons in Guatemala. This will be established in a report by the UN Human Rights Commission envoy.

During a meeting yesterday afternoon between Interior Minister Carlos Guzman Estrada and Vicount Colville de Culross, UN Human Rights Commission envoy, it was definitely established that there are no clandestine prisons in Guatemala. Guzman said that all of the information received by the United Nations on Guatemala through its envoy, Vicount Colville de Culross, will be officially supplied by the Guatemalan Government. Guzman reiterated that there are no clandestine prisons in Guatemala and that the government would not permit such a violation of human rights.

LIBERAL YOUTH WITHDRAW SUPPORT FOR AZCONA

PA291337 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 28 Aug 85

[Text] According to a last-minute political report this morning, Danilo Cartagena, leader of the San Pedro Sula Liberal Youth and followers of Jose Azcona del Hoyo, suddenly announced the suspension of their support for presidential candidate Azcona, whom Cartagena had previously supported. Cartagena once said Azcona would have been the savior of the country. Now he says that as president Azcona would be worse than Suazo Cordova. Correspondent Jesus Velez Vanegas reports from San Pedro Sula.

[Begin Velez recording] Yesterday San Pedro Sula Liberal Youth President Cartagena made important statements regarding their support for Azcona during his presidential campaign. According to Cartagena, the decision was made because Azcona turned a deaf ear to the Liberal Youth's recommendations regarding the stance that the People's Liberal Alliance [ALIPO] has taken within the Azcona movement. According to Cartagena, the ALIPO has assumed control of the movement. Early yesterday the Liberal Youth tried to contact Dr Arturo Rendon Pineda [president-designate] to ask him for counsel regarding their future stance in the Liberal Party. Cartagena did not dismiss the possibility that they could even join the party's ruling faction.

THREE PAC MEMBERS KIDNAPPED IN CAPITAL 23 AUGUST

PA291404 Guatemala City EL GRAFICO in Spanish 28 Aug 85 p 3

[Text] Guatemala City, 27 Aug -- A new blow against the Civilian Self-Defense Patrols [PAC] was dealt by unidentified men during swift operations to kidnap three PAC members in this capital.

The kidnapped men are members of the patrols in tense Chupol Canton, Chichicastenango, El Quiche Department. During the 1980-82 period, rebel activity was reported in the area.

On 23 August four heavily armed men kidnapped Tomas Mejia and Diego Mejia. The kidnapping was carried out near the El Reformador Tower in Zone 9 at approximately 0800, when the two men were on their way to the bus depot in Zone 4.

Tomas Morales, 26, was kidnapped on the same day at approximately 2000 near the eastern entrance to the same depot, close to "El Portal."

According to the information supplied by the PAC chief in Chupol, the same group perpetrated the kidnapping of three members who were in the capital for commercial activities.

The members of the Committee for the Improvement of Chupol explained that the kidnapped men are members who diligently perform their duties and that "their only crime was their participation in the PAC."

Both the patrol leader and the committee members urged the kidnappers not to kill the hostages, to respect their physical integrity, and to release them as soon as possible.

Finally, they called on those who kidnapped the men to release them as soon as possible because these actions only create a climate of unrest and uncertainty among honest citizens.

NICARAGUA

DELEGATION APPOINTED FOR JOINT COSTA RICAN 'TOUR'

PA300144 Managua Radio Sandino in Spanish 0028 GMT 30 Aug 85

[Text] A Foreign Ministry bulletin has just reported that today, 29 August, a group of Costa Rican citizens headed by Jose Figueres and including Legislative Assembly deputies, university authorities, labor union leaders, and other officials have voiced their determination to sail down the San Juan River on 30 August to symbolize the Costa Rican people's desire for peace and stability along the border area between Costa Rica and Nicaragua.

As evidence of its permanent desire for peace, the Nicaraguan Government immediately welcomed this initiative and appointed a delegation to accompany the Costa Rican citizens on their tour.

This delegation will be headed by Culture Minister Father Ernesto Cardenal and will include the vice president of the National Assembly, Dr Clemente Guido, as well as other members of the legislative body; Deputy Foreign Minister Jose Leon Talavera; the rector of the National Autonomous University of Nicaragua, Managua branch, Dr Humberto Lopez; labor union leader (Justillo) Jimenez; Dr Mariano Fiallos; and the presidential delegate for special Zone No 3, Companero Alejandro Cuevas.

This joint action represents a strong rejection of the interests that are contrary to the legitimate aspirations of friendship and fraternity which have always united the peoples of both nations, interests that are trying to separate two brother nations. Likewise, this effort for peace reaffirms the frank and sincere desire of the Nicaraguan Government to find a definite solution to the prevailing tensions at the border, for which a neutral security zone must be established so that will lead to an atmosphere of understanding which the Costa Rican and Nicaraguan brother nations strongly desire.

GOVERNMENT PROTESTS PENAS BLANCAS ATTACK

PA300051 Managua Domestic Service in Spanish 0007 GMT 30 Aug 85

[Text] Early this morning, counterrevolutionary forces of the self-styled Democratic Revolutionary Alliance, ARDE, attacked the Penas Blancas border post from Costa Rican territory. In the attack, the bullets of the mercenaries' rifles hit the border post installations. The Nicaraguan Government has strongly protested to Costa Rican authorities in view of this new mercenary attack, according to a Foreign Ministry communique.

The Communique adds that a Nicaraguan officer, Marco Tulio Navarro, reported the serious incidents to a Costa Rican official. The note addressed to Costa Rican Foreign Minister Carlos Jose Gutierrez points out that these events have a negative effect on the peace efforts that the Contadora Group is making to lessen tension along the border area.

The communique adds that in the interest of preventing similar situations, Nicaragua has insisted on establishing a neutral security zone that will end all artificial conflicts being encouraged by interests contrary to the aspirations of Costa Rica and Nicaragua.

TINOCO COMMENTS ON RELATIONS WITH COSTA RICA

PA291708 Managua Radio Sandino in Spanish 1200 GMT 29 Aug 85

[Text] Due to pressures from Washington, the Monge government continues to oppose the formation of a neutral security zone on the border as proposed by Nicaragua. This was reported this morning by acting Foreign Minister Victor Hugo Tinoco, who added that the Costa Rican president's refusal is also due to the pressures of the electoral campaign in Costa Rica, where each of the political parties wants to stand out as the most anti-Sandinist.

[Begin recording] [Tinoco] The problem is that the Costa Rican authorities' words are not in keeping with their actions. They say that Nicaragua is attacking, and they often say they feel threatened by Nicaragua. Nevertheless, they are opposed to the Contadora Group, the United Nations, or the Contadora support group taking any action to solve the problem. We have always said that if the Costa Rican authorities really had any doubts or fears regarding Nicaragua it would be most logical for them to accept a security zone on the border between Nicaragua and Costa Rica with the presence of an international peace force to guarantee that nothing will happen.

However, this has not happened. The Costa Rican Government's attitude is one in opposition to the creation of this force and in opposition to the dialogue. In theory they say they are not against the idea of a force, but they do not want to discuss it. Therefore, we cannot advance. What is happening is that the Costa Rican Government -- although we believe the security zone would favor both countries and would be in the best interest of the two peoples -- continues to oppose it due to U.S. pressure and internal electoral reasons. The problem is that the parties in Costa Rica that are participating in the January 1986 elections are competing to see who is more anti-Sandinist.

The use of that kind of element in an electoral race hampers the Costa Rican authorities' possibility of seriously solving international problems such as the border problem. For the past 2 weeks Nicaragua has been suffering a series of attacks by counterrevolutionary forces who fire from Costa Rican territory against our military observation posts and against Sandinist People's Army positions seized from the contras during "Operation Sovereignty." We have sent protest notes to Costa Rica, but they have gone unanswered and Costa Rica's attitude remains unchanged. Therefore, complaints of Nicaraguan aggressions are rhetorical. They really conceal Costa Rica's unwillingness to solve the border problem.

[Reporter] What is Nicaragua's position in response to the conclusions of the Contadora Group and support group foreign ministers who met in Cartagena de Indias, Colombia?

[Tinoco] We believe they issued a statement with a series of positive aspects that promise a very efficient, positive effort by the support group along with the Contadora Group; that is, Brazil, Argentina, Uruguay, and Peru contributing their political capital to the Contadora Group. We believe that Latin America is increasingly united in regard to its political and economic interests. It is on the right path.

ORTEGA MEETS WITH U.S. CONGRESSMEN 29 AUGUST

PA290427 Managua Radio Sandino in Spanish 0000 GMT 29 Aug 85

[Text] Two U.S. congressmen, members of the Appropriations Committee, today met with Nicaraguan President Daniel Ortega Saavedra behind closed doors.

Republican William Lowery and Democrat Vic Fazio, congressmen from the state of California, met with the Nicaraguan president for approximately 2 hours. Even though there was no official information on the issues discussed, unofficial sources asserted that President Ortega and the U.S. congressmen discussed topics concerning the two countries' relations.

Lowery, Fazio, and their delegation arrived on Monday and visited Esteli on Tuesday, where they met with business, religious, and political leaders. Following the meeting with Daniel Ortega, the two congressmen met with Deputy Foreign Minister Nora Astorga. They will leave for the United States tomorrow.

RUIZ HEADS DELEGATION TO NONALIGNED MEETING

PA290351 Managua Radio Sandino in Spanish 0000 GMT 29 Aug 85

[Text] Commander of the Revolution Henry Ruiz Hernandez, minister of foreign cooperation, will lead the delegation that will leave tomorrow to attend the nonaligned countries ministerial meeting in Luanda, Angola, from 2 to 7 September. Commander Ruiz will be accompanied by Deputy Foreign Minister Victor Hugo Tinoco, Deputy Foreign Cooperation Minister Pedro Antonio Blandon, Ambassador Rita Delia Casco, Ambassador Javier Chamorro, Ambassador Edmundo Jarquin, and (Dora Zeledon), Foreign Ministry official.

ORTEGA PRESENTS PLAQUE TO DPRK AMBASSADOR

PA281510 Managua Radio Sandino in Spanish 1200 GMT 28 Aug 85

[Text] Nicaraguan President Daniel Ortega presented DPRK Ambassador O Sung-hwan with a plaque in recognition of his contribution to the strengthening of relations between the two peoples and governments.

I accept this plaque not in recognition of my work, but on behalf of my country, because it is a symbol of the confdience the Sandinist government has placed in our people and government, O Sung-hwan stated in appreciate of the gesture. He reaffirmed the Korean people's desire to contribute to the quest for peace in the region, particularly in Nicaragua, which is the victim of brutal aggression.

Nicaraguan acting Foreign Minister Victo Hugo Tinoco accompanied President Ortega during the ceremony to present Ambassador O Sung-hwan with the plaque.

MISURASATA REPORTED INTERESTED IN RESUMING TALKS

PA300335 Managua Radio Sandino in Spanish 0000 GMT 30 Aug 85

[Text] Leaders of the Miskito, Sumu, and Rama Sandinist Unity, Misurasata, headed by Brooklyn Rivera are interested in resuming talks with the Sandinist government which they suspended unilaterally during the fourth round of talks.

A source close to the Indian organization in Puerto Cabezas, Atlantic coast area, said that it was unofficially learned that Rivera and other members of Misurasata are planning to go to Managua in September to continue the talks. The probability that the dialogue between Misurasata and the government will be resumed comes after Interior Minister Tomas Borge reiterated the Nicaraguan authorities' willingness to continue with the dialogue in Nicaragua once Rivera considered it opportune.

PLI PRESENTS PROPOSALS FOR CONSTITUTION

PA291512 Managua Radio Sandino in Spanish 1200 GMT 29 Aug 85

[Text] Yesterday the concept of nonpartisanship within the Armed Forces and the regulation of active military duty were proposed by the PLI [Independent Liberal Party] for inclusion in the political constitution through Dr Roberto Ortiz Urbina, PLI leader, before the National Assembly special commission. The PLI, according to Dr Ortiz, proposed that active military duty be regulated only when required for the country's defense.

The PLI also states that the concepts of a mixed economy, political pluralism, and nonalignment should be included in the constitution. The party's statement notes that the state must actively participate in export activities.

Regarding government, the PLI points out that it must be presidential; there should be a president and one vice president.

CDS REORGANIZES WORK, LEADERSHIP SELECTION

PA300228 Managua Radio Sandino in Spanish 1930 GMT 28 Aug 28

[Excerpt] After 2 days of deliberations, the Sandinist Defense Committees [CDS] National Council decided that the work will not be strictly community-oriented without neglecting defense, since the latter is of prime importance. This reorientation of the work of the CDS implies that the people will be organized to carry out community development tasks in response to each community's problems and needs.

In addition, the CDS council decided that a change in work methods and style is necessary. Basically, this will mean that CDS leaders will be closely associated with the rank and file and will listen to and solve problems presented by the people. Also, it will be the people who will be represented before the state, rather than CDS leaders. Regarding criticisms expressed by the people about impositions of some CDS representatives, the National Council determined that a restructuring will be effected so the people can elect their leaders, thus preventing the handpicking of leaders -- as the people have described such appointments.

BORGE GREETS CORN ISLAND RESIDENTS ON ANNIVERSARY

PA271323 Managua Radio Sandino in Spanish 0000 GMT 27 Aug 85

[Text] Commander of the Revolution Tomas Borge has sent a message to the people of Corn Island which praises the liberty they have achieved, and sends patriotic greetings in view of the challenge they have ahead in building the autonomy of the Atlantic coast. The message was sent on the occasion of the 144th anniversary of the abolishment of slavery on the island, which will be commemorated on 27 August.

We have a copy of Interior Minister Borge's letter, in which he expressed to the people of Corn Island beautiful concepts regarding the value of the liberation they achieved on 27 August 1841.

Borge's letter said: Just as the hermit crab gets out of his shell to run freely on the sand, the men and women of the island who at that time still faced the disgrace of living under one of the most inhuman forms of labor in history, achieved their liberty and their right to earn their living under dignified conditions.

Borge added: From those shameful centuries we inherited unforgettable melodies, and also words derived from dialects spoken in African countries; a vast cultural richness was transformed, reflecting the feelings of the Nicaraguan natives.

Corn Island brothers: We do not want others to speak for you. You know better than anybody else what your most urgent needs are. You must contribute with your ideas to the contents and scope of the autonomy bill, which belongs to you and to all Nicaraguans. The people of the coast must write their page in history to rediscover before the world their contribution to the Caribbean identify, Tomas Borge said in his letter to Corn Island on behalf of the FSLN National Directorate, on the occasion of the commemoration of the 144th anniversary of the abolition of slavery on the Nicaraguan island in the Caribbean Sea.

CHURCH OFFICIAL VIEWS ACCUSATIONS AGAINST BISHOPS

PA271309 Managua LA PRENSA in Spanish 23 Aug 85 pp 1, 5

[Article by Norman Talavera]

[Excerpt] Regarding some opinions being expressed in an attempt to present the Nicaraguan bishops as being against the Sandinist regime, Monsignor Bosco Vivas, secretary of the Episcopal Conference (CEN), said that these attacks are coming from the so-called people's church.

During an interview today to LA PRENSA, the auxiliary bishop of the archdiocese said that they (the people's church) "are bent on accusing the Nicaraguan church and Cardinal Obando y Bravo of formulation politics against the government, and that this is not true."

He continued, noting that such insistence is aimed at making the people believe that all the bishops are opposed to the Sandinist government "and as a result of this, to attack them as such."

Msgr Vivas reported that during the meeting of the Episcopal Conference (CEN), the bishops analyzed the current situation of the Nicaraguan church.

He added that the bishops are gathering information and studying the situation to obtain a more accurate picture of the matter. However, from his personal viewpoint, the prelate was hopeful about the difficult situation that the church currently faces.

Although the CEN has issued no statement, the secretary did not reject the possibility of a communique being issued shortly.

The prelate also reported that during the CEN meeting, which is to be held in later September or early October, the bishops will choose their new board of directors. The current CEN president is the bishop of Chontales, Msgr Pablo Antonio Vega.

The bishop admitted that since Obando y Bravo's appointment as cardinal, the faith of our people has strengthened. However, Msgr Bosco Vivas made a charge regarding the difficult situation faced by the Nicaraguan church "because we have to face atheist ideologies that affect the church."

Regarding the people's church in Nicaragua, Msgr Vivas said that it is supported by groups of people "who are attempting to remain within the Catholic Church, but who in practice disobey the church authorities and given their unconditional support to a Marxist ideology."

He said that the Nicaraguan people's church is mostly made up of religious persons, priests, laymen, and foreigners, "even bishops who have come from abroad to support it."

Regarding the church-state talks that reached a standstill more than 3 months ago, the CEN secretary said that the bishops are once again negotiating with the government commission to hold another meeting; however, no specific date has been given.

The auxiliary bishop said that in the case of a country faced with an armed conflict, "in this case, Nicaragua, the welfare of the nation must be sought by means of dialogue in search of national reconciliation."

"Why is it that with this leftist regime in Nicaragua, this path for peace is worthless for the government?" the monsignor asked, and added that the Marxist-Leninist regimes do not choose this path for peace when they are in power "because they are more interested in their ideology than the welfare of the people."

NEW MONIMBO INDIAN GROUP FORMED, TO JOIN UNO

PA300153 San Jose Radio Impacto in Spanish 1830 GMT 29 Aug 85

[Text] Newswoman Maria Travieso reports from the Treasury Ministry:

[Begin Travieso recording] The formation of the Monimbo Indian Community in Exile, CIME, was announced in San Jose this morning. The organization announced that it will be a member of the Nicaraguan Opposition Unity [UNO]. A press conference was held by the Monimbo commander, (?Raquel) Suazo. She is well known for her participation, first, in the struggle that ousted the Anastasio Somoza regime and, later, in the struggle against the Sandinist regime.

The CIME is formed by representatives of the Nicaraguan Monimbo Indians who, for various reasons, have had to flee Nicaragua and settle in Costa Rica. As we said at the beginning, they have joined with UNO in the struggle against the ruling Sandinist government.

The Monimbo Indians agreed to form this community in Costa Rica and identify with the struggle waged by the Miskito, Sumu, and Rama Sandinist Unity. The organization will make the necessary efforts to tend to the most urgent needs of the Monimbo Indians residing in Costa Rica.

MALMIERCA MEETS ALGERIAN DEPUTY FOREIGN MINISTER

F1291512 Havana Domestic Service in Spanish 1405 GMT 29 Aug 85

[Text] Foreign Minister Isidoro Malmierca, on a brief working visit to Algeria on the eve of the ministerial conference of nonaligned countries beginning 2 September in Luanda, has met with Deputy Foreign Minister Noureddine Harbi to examine topics that will be discussed in the Luanda conference and the bilateral relations. After his meeting with the Algerian foreign minister, Malmierca told the press that the ministerial conference of the nonaligend countries in Luanda is of great importance since it will examine the difficult economic situation of the Third World. Malmierca also said the Luanda meeting will cover the struggle against apartheid at a time when the situation in South Africa is extremely critical.

JORGE RISQUET MEETS GHANAIAN HEAD OF STATE

F1292355 Havana Domestic Service in Spanish 1803 GMT 29 Aug 85

[Text] Politburo member Jorge Risquet Valdes has conveyed a message from our Commander in Chief Fidel Castro to Ghana's chairman of the Provisional National Defense Council, Jerry John Rawlings. During Risquet's over 3-hour fraternal meeting with Ghana's head of state, Jerry John Rawlings responded to the Cuban top leader's message by sending him warm greetings and extending them to the Cuban people and government.

The underdeveloped world's foreign debt problem aggravated by the drop in price of its basic products, the imperialist banks' uncompromising attitude, rising interest rates, and other problems were discussed by Jorge Risquet and the Ghanaian top leader. Our party's Politburo member gave him full details of the foreign debt meetings held in Havana.

When Jorge Risquet told him about Fidel's proposals, Jerry John Rawlings said: It had to be Cuba to suggest such a brilliant solution to the serious problem of the foreign debt.

Ghana's president [as heard] agreed with our party's Politburo member that the foreign debt problem, besides being a subject of political discussion, is mathematically unpayable. If this truth is taken to the people, it will be difficult to stop massive support for that position, said Jerry Rawlings during his meeting with Jorge Risquet in Accra.

Our party's Politburo member and Ghana's president also discussed and agreed on matters related to the nonaligned ministerial meeting beginning on 2 September in the Angolan capital.

NONALIGNED CONFERENCE TO DISCUSS UNEQUAL TRADE

F1291808 Havana Domestic Service in Spanish 1700 GMT 29 Aug 85

[Text] The ministerial conference of nonaligned countries that will be held in Luanda from 2 to 7 September will encourage improvement of international trade conditions, as well as transportation, and industrialization. The last summit denounced the aggravation of unequal trade that is provoked by the large capitalistic centers of the world.

Industrialized countries continue to move the affects of the crisis to underdeveloped countries by selling them elaborate, expensive products, while purchasing inexpensive raw materials. This is reflected, for example, by the fact that Third World countries represent only 6 percent of world trade in manufacturing while they import 26 percent of the industrial products, thus financing developed countries.

Thanks to the norms of the current international economic order, the foreign debt of underdeveloped countries increases continuously and now totals $810 billion. That group's non-oil producing countries alone have accumulated in 8 years deficits exceeding $200 billion. And the avalanche continues.

AGRICULTURAL COOPERATION WITH USSR TO EXPAND

FL291534 Havana Domestic Service in Spanish 1414 GMT 29 Aug 85

[Text] The USSR and Cuba have decided to further expand and strengthen bilateral cooperation principally in the area of agriculture, including the exchange of specialists and introduction of scientific achievements. A TASS release indicates those decisions were made during a visit to the USSR by a Cuban delegation headed by Agriculture Minister Adolfo Diaz.

During the visit, it was pointed out that the experience accumulated during the last few years allows for an increase in Soviet-Cuban relations in agriculture. The perfection of technology in cultivation of rice, tobacco, potatoes, and citrus, and research to increase meat and milk production, as well as creation of new species of high-yielding animals, are among the principal benefits of bilateral cooperation in agriculture.

USSR AWARDS GROBART FRIENDSHIP OF PEOPLES ORDER

FL291554 Havana Domestic Service in Spanish 1424 GMT 29 Aug 85

[Text] Fabio Grobart, Central Committee member and one of the founders of the first Cuban Marxist-Leninist Party, was decorated today with the Friendship of the Peoples Order. The decree from the Supreme Soviet Presidium stresses the award is due to Grobart's great contributions to Marxist-Leninist propaganda in Cuba, strengthening of Cuban-Soviet friendship, and on the occasion of his 80th birthday.

SEPMI CHIEF TAMAYO MENDEZ VISITS KRAKOW

FL291756 Havana Television Service in Spanish 1700 GMT 29 Aug 85

[Text] Colonel Arnaldo Tamayo Mendez, president of the Society for Patriotic-Military Education [SEPMI], has visited the city of Krakow at the invitation of Polish Army General Florian Siwicki, minister of national defense. Tamayo heads the SEPMI delegation that is in Poland. He met with the authorities of Krakow during his visit to the city.

DELEGATION ARRIVES IN SRY FOR INDEPENDENCE DAY

FL300131 Havana Domestic Service in Spanish 2300 GMT 29 Aug 85

[Text] Commander of the Revolution Ramiro Valdes today arrived in Hanoi to attend the activities commemorating Vietnam's independence obtained in 1945.

The Cuban delegation was met at the airport by Pham Hung, Vietnamese Communist Party Politburo member and vice chairman of the Council of Ministers. The Cuban delegation also includes Central Committee members Faure Chomon, Cuban ambassador to Vietnam, Raul Valdes Vivo, and Pedro Diaz Garcia vice foreign minister.

DPRK PRESIDENT SENDS MESSAGE TO CASTRO

FL290201 Havana Television Service in Spanish 0000 GMT 29 Aug 85

[Text] Kim Il-song, general secretary of the Korean Workers Party and DPRK president, has sent a congratulatory message to our commander in chief Fidel Castro, on the occasion of the 25th anniversary of the establishment of diplomatic relations between Cuba and the DPRK. In his message to the chief of the Cuban revolution, the Korean leader says: I take this opportunity to express my belief that friendship and cooperation relations between our two countries will widen and develop every day. He adds: I wish you and your country further successes in your efforts to firmly defend the fatherland and revolutionary achievements.

DPRK ENVOY SUPPORTS FOREIGN DEBT CANCELLATION

FL291830 Havana Television Service in Spanish 1700 GMT 29 Aug 85

[Interview with DPRK Ambassador to Cuba Pak Yong-sae by Ismael Tantao on the 25th anniversary of establishing diplomatic relations with Cuba; place, date not given -- recorded]

[Text] [Tantao] Mr Ambassador, this could be a good occasion to listen to a message from you to our party, government, and state, precisely on this date. Do you agree?

[Pak] Yes. I would like to take advantage of this occasion to express our profound gratitude to the Cuban Communist Party, the Cuban Government, and the Cuban people for always giving their unvarying support of the just struggle of our people for accelerated building of socialism, for defeat of Yankee imperialism in South Korea, and for reunification of our homeland. At the same time, I would like to express our firm condemnation of all types of sinister Yankee provocations such as the recent violation of Cuban airspace by a U.S. SR-71 spy plane. We actively support the just initiative presented by esteemed Comrade Fidel Castro Ruz to cancel the enormous foreign debt of which the Latin American and Third World countries are victims, and the struggle of Cuba's Communist Party and people to achieve the acceptance of this proposal.

MONGOLIAN AMBASSADOR VISITS MATANZAS COOPERATIVE

FL300300 Havana Domestic Service in Spanish 2141 GMT 29 Aug 85

[Text] (Nansad Bagarkudyn), Mongolian People's Republic ambassador to Cuba, had a friendly meeting with members of the Cuban-Mongolian friendship livestock agricultural cooperative in Limanar, Matanzas. Jose Sosa, president of the cooperative, welcomed the guest and his retinue and briefed them on the organization's livestock agricultural development, especially preparations for the next sugar harvest.

The Mongolian ambassador was interested in the cooperative movement development in Matanzas, and livestock agricultural profitability. He visited several peasants' homes, who explained their social and economic progress.

VICE PRESIDENCY OBTAINED AT CONGRESS ON CRIME

FL291538 Havana Domestic Service in Spanish 1100 GMT 28 Aug 85

[Text] Cuba has been selected to occupy one of the vice presidential positions at the Seventh Congress on Crime Prevention and Treatment of Delinquents that, sponsored by the United Nations, is meeting in the Italian city of Milan. The Cuban delegation will discuss the new dimensions of crime and the prevention of crime in developing countries.

AFRICAN, NICARAGUAN STUDENTS TO ATTEND SCHOOLS

FL261730 Havana Domestic Service in Spanish 1412 GMT 26 Aug 85

[Text] About 15,000 students from African nations and Nicaragua will receive primary, secondary, preuniversity, and polytechnical school instruction on the Isle of Youth during the coming school year. This figure represents an increase over previous years in the number of students at the schools for young persons from other nations that began operating on the Isle of Youth in 1976.

On the Isle of Youth there are 20 schools in the countryside, and 5 more schools were adapted as polytechnical schools for agronomy, economics, medical technicians, and others.

The 15,000 students who will study this year on the Isle of Youth come from Angola, Guinea, Mozambique, Ethiopia, Namibia, Congo, Sao Tome and Principe, Saharan Democratic Arab Republic, Yemen, Ghana, and Nicaragua.

CHILEAN POLITICAL, ECONOMIC CRISIS VIEWED

PA291618 Havana International Service in Spanish 2310 GMT 27 Aug 85

["Our America" commentary]

[Text] It is evident that the serious political and economic crisis affecting Chile has no solution, and the only way out of it is the disappearance of the regime. According to analysts of the Chilean situation, the growing daily deterioration of the economy, the successive political crises, the confrontations in the upper military levels, and the differences with the church all lead to a somber future for the regime of General Augusto Pinochet.

Every day on their front pages the Chilean papers carry the bombing attempts, protest rallies, or coup d'etat rumors, such as the case of the resignation on 2 August of the member of the military junta and chief of the Carabineros, General Cesar Mendoza. The scandal began when magistrate Jose Canova publicly confirmed the involvement of 14 members of the Carabinero corps in the brutal slaying of three political opponents. Since then, rumors of alleged coups d'etat have begun circulating. The statements made to that effect by Augusto Pinochet are self-revealing.

Referring to reports of a military uprising by the Carabinero corps and the Air Force shortly after dismissal disguised as the retirement of 29 ranking officers, including five generals, Augusto Pinochet affirmed that these were totally unfounded rumors that, nevertheless, had an origin. The fact that Pinochet accepted the rumors reveals a motive. Although he did not reveal it, it confirms the existence of differences due to the apparent aim of intervening in the appointment of personnel and in the territorial duties of the Carabineros, according to the analysts. The contradictions with the church, reflected in the demand by the bishop of the Linares Diocese, Carlos Camus, for Pinochet's resignation, are now added to the conflicts in the ranking military sectors. The conflict with the church deepened with the imposition late last year of the state of siege under which the government banned publication of documents by clergymen as well as statements by ranking church officials.

The rightist political parties have also turned their back on Pinochet and the National Party, which includes 90 percent of the Chilean bourgeoisie, is seeking alliances with other political forces of bourgeois ideology to bring about a change in the state leadership. Until 1981, Pinochet had the support of the national bourgeoisie, which had in the regime's anticommunist policy a guarantee in favor of their interests, and the stability of a socioeconomic capitalist system in close alliance with the United States. There was even talk of a spectacular bonanza under the guidance of the Chicago school that actually turned out to be a mere optical illusion created with an average of $3 billion annually, granted by international banking, and which today is largely to blame for Chile's $20 billion foreign debt. Thus, every Chilean owes an average $2,000 to international banking.

According to figures supplied by the Christian Democratic Party, Chile is 10 percent poorer today than in 1970. Over 1 million workers are unemployed. Such a structural crisis in Chile has begun to have its effects in military circles. The political scheme established following the 1973 military coup is worn out, and Pinochet finds himself cornered in the midst of confrontations and contradictions.

REAGAN'S VETO OF PROTECTIONIST BILL NOTED

FL291434 Havana Domestic Service in Spanish 1100 GMT 29 Aug 85

[Text] Fearful of the great discontent of such countries as Brazil, President Ronald Reagan has acted against a proposed increase in the restrictions on foreign-made footwear designed to protect U.S. manufacturers. The protectionist bill that Reagan found himself forced to veto was directed at the exports of Brazil, Italy, Spain, and several Asian nations, which are the principal suppliers of footwear to the United States.

POVERTY INCREASES IN UNITED STATES

White House Study

FL291458 Havana Television Service in Spanish 1158 GMT 29 Aug 85

[Text] Washington -- The U.S. Government has just officially acknowledged that 33.7 million Americans live in poverty at the present time.

In a report issued by the White House and the Census Bureau, the fact is stressed that among those included on the official list as suffering from hunger in the United States, they are 3,474,000 children, more than 9 million blacks, and almost 5 million Hispanics.

New York Study

FL291528 Havana Television Service in Spanish 1158 GMT 29 Aug 85

[Text] The local New York government has acknowledged the alarming level of poverty that exists in its Hispanic communities. U.S. television has reported on the situation.

A new study on the Hispanic community in New York, the first study done by the state, reaffirms what earlier studies had revealed: The Hispanic community is the poorest in the state and the worst educated, and has the greatest number of social and health problems. In all the areas included in the study, Hispanics are worse off than all the other population groups. Problems are worse among Puerto Ricans, who constitute 60 percent of the more than 2 million Hispanics in the state. The study attributes to Puerto Ricans the highest rate of mental problems, unemployment, and poverty. Worse yet, no progress is foreseen in either the long or short term.

UNIONS TO BEGIN LECTURES ON LABOR CODE

FL281604 Havana Domestic Service in Spanish 1100 GMT 28 Aug 85

[Text] On 1 September, the labor union movement will begin to give lectures throughout Cuba on the first Labor Code of the Republic of Cuba and the first socialist labor code on the American continent [as heard]. The code has 14 chapters and more than 300 articles and constitutes the codification of Cuban labor and social legislation. It brings together legal norms that were dispersed, which made their study and application more difficult.

BRIEFS

AMBASSADORS APPOINTED -- The Cuban Council of State has appointed Comrade Enrique Trujillo Rapallo as ambassador to Socialist People's Libyan Arab Jamahiriya and Comrade Denis Guzman Perez as Cuban ambassador to the Kingdom of Sweden. [Text] [Havana Domestic Service in Spanish 1100 GMT 23 Aug 85 FL] The Council of State has appointed Comrade Israel Tapanes Vento as ambassador extraordinary and plenipotentiary of the Republic of Cuba to Turkey. At the time of his appointment, Tapanes Vento was chief of the Communications Section of the Communications and Transportation Department of the Communist Party of Cuba Central Committee. The Cuban Council of State has appointed Viriato Mora Diaz ambassador extraordinary and plenipotentiary of the Republic of Cuba to the People's Republic of Kampuchea. At the time of his appointment, Mora Diaz is the business adviser in Kampuchea. [Text] [Havana Domestic Service in Spanish 1600 GMT 28 Aug 85 FL]

U.S. AID LOANS AVAILABLE FOR PRIVATE BUSINESSES

FL292229 Bridgetown CANA in English 2151 GMT 29 Aug 85

[Text] Bridgetown, Barbados, Aug 29, CANA -- Private sector business in the Eastern Caribbean will have an additional U.S. 5.3 million dollars available for borrowing from the Barbados-based Caribbean Financial Services Corporation (CFSC), it was announced here today. The money is being made available through a loan from the United States Agency for International Development (USAID).

According to a release from the U.S. Information Service (USIS), this brings USAID's loan to CFSC to U.S. 17.3 million dollars. This, coupled with an equity investment by CFSC shareholders of U.S. three million, will bring CFSC's total resources to U.S. 20.335 million dollars.

The latest loan agreement was signed here today between U.S. Ambassador to the Eastern Caribbean Thomas Anderson and CFSC Managing Director David Dacosta.

The CFSC, a private sector lending agency for Eastern Caribbean islands, is in its second year of full operations and has financed 14 businesses for a total of U.S. 3.4 million dollars. Enterprises financed to date are distributed among Barbados, Antigua and Barbuda, St Lucia, and St Kitts and Nevis, and include tourism, manufacturing and agribusiness.

BARBADOS

BARROW REELECTED OPPOSITION DLP PRESIDENT

FL262328 Bonaire Trans World Radio in English 1130 GMT 26 Aug 85

[Text] In Bridgetown, Barbados, former Prime Minister Errol Barrow has been reelected to the post of president of the opposition Democratic Labor Party. The 65-year-old opposition leader ran unopposed in the party's 30th annual conference. His reelection means he may run for prime minister in the upcoming parliamentary election due September 1986.

JAMAICA'S MANLEY ADDRESSES DLP ANNUAL CONFERENCE

FL261804 Bridgetown CANA in English 2245 GMT 25 Aug 85

[Text] Bridgetown, Barbados, Aug 25, CANA -- Former Jamaica Prime Minister Michael Manley today said Caribbean political parties which were not in power but shared similar ideas on regional development needed to establish greater cooperation.

In an address to the annual conference of the main opposition Democratic Labour Party (DLP), now celebrating its 30th anniversary, Manley said that by developing contacts when opposition parties came to power, they would be in a stronger position to implement the strategies to solve the region's problems. Our party (his opposition People's National Party), has got to become an instrument of understanding, Manley told a capacity crowd at the DLP's headquarters just outside Bridgetown.

He recalled that late Trinidad and Tobago Prime Minister Dr Eric Williams had recommended the establishment of a Caribbean food organisation which would lead to the region becoming self-sufficient in food. Manley said the plan would have led to a reduction of the dependence on food from outside the region and savings in foreign exchange. The plan did not materialise.

Manley added that the economic crisis facing the Caribbean demanded that sacrifices be made. A new form of colonial dependence is taking place of the old, he said.

Manley said that integration in the Caribbean was a necessity, because the territories were small and needed to work together. The region, he continued, was an area of extraordinary talent and achievement in terms of its people. The PNP leader said there was a need to rediscover the secrets of regional cooperation and to find strategies for development.

Manley, on a private visit to Barbados, said one of the questions linked to the economic crisis facing the region was how to keep yourself working for the future. He counselled against tackling the crisis with a shortsighted approach and taking for the appetite of today and nothing for the need of tomorrow.

BERMUDA

NATION'S THIRD POLITICAL GROUP, NLP, LAUNCHED

FL271416 Bridgetown CANA in English 0007 GMT 26 Aug 85

[Text] Hamilton, Bermuda, Aug 26, CANA -- Bermuda's third political group, the National Liberal Party (NLP) was launched here over the weekend. The party is led by Gilbert Darrell, one of the members of parliament expelled from the opposition Progressive Labour Party (PLP) almost a year ago.

The (ruling) United Bermuda Party is supposed to be primarily business-oriented, and the Progressive Labour Party is supposed to be labour-oriented, he said today. We are in between. He dismissed fears that a third party was doomed after the last attempt to break away from the main two parties.

The Bermuda Democratic Party put up 23 candidates at the 1968 election but all were defeated, and the party was disbanded shortly afterwards. Since then, only the USP and PLP have contested elections.

A spokesman for the new party said supporters would meet later this week to hammer out final details of its constitution.

Darrell and five other members of the PLP were expelled in the midst of a row over the leadership of Mrs Lois Browne Evans. Four of the six rebels have been sitting as independents in Bermuda's 40-seat House of Assembly.

DOMINICA

DLP POSTPONES MEETINGS TO DRUM UP SUPPORT

FL1292025 Bridgetown CANA in English 1640 GMT 29 Aug 85

[Text] Roseau, Dominica, Aug 29 CANA -- The opposition Dominica Labour Party (DLP) today announced a 10-day suspension of political meetings aimed at drumming up support for its call to get government to reverse a decision to curtail live broadcasting of parliamentary proceedings. The move followed a meeting last night between a DLP team and a government delegation headed by Prime Minister Eugenia Charles. The DLP had requested the meeting after boycotting parliament to protest the clampdown on live broadcasts.

According to a DLP statement, Prime Minister Charles had agreed to write opposition leader Michael Douglas informing him of government's decision on the matter.

In view of this, the Labour Party has decided to postpone all public meetings for a period of 10 days to allow for the creation of the best possible political atmosphere between government and opposition pending a reply, said the statement. Legal Affairs Minister Brian Alleyne, who attended the hour-long talks, confirmed that government is to write the opposition on the matter, but gave no details.

GRENADA

ENVOY TO VENEZUELA RECALLED: REPLACEMENT NAMED

FL291956 Kingston THE DAILY GLEANER in English 19 Aug 85 p 7

[Text] Grenada has recalled her ambassador to Venezuela, the VOICE newspaper reported in an August edition. According to the VOICE, Matthew Williams was replaced by Samuel Orgias, formerly counsellor in the Washington mission. He will be there as a temporary charge d'affaires.

No reasons were given for the changes but the newspaper speculated that he was appointed by the ousted Peoples Revolutionary Government [PRG] and that the politics of Grenada was not being properly interpreted in Caracas by a PRG-appointed envoy.

GOVERNMENT APPROVES NATIONAL DISASTER PLAN

FL281435 Bridgetown CANA in English 1233 GMT 28 Aug 85

[Text] St George's, Grenada, Aug 28, CANA -- The Grenada Government has approved a 1985 National Disaster Plan to guide the island in the event of a disaster, the Government Information Service (GIS) says. GIS said the plan involves the mobilisation of human and material resources in the country in the area of planning, training and managing the various aspects of a disaster or major emergency in order to return the country to a state of normalcy as quickly as possible.

The plan includes the establishment of the National Emergency Organisation, the structure of the various emergency committees, the roles and functions of government ministries and key departments, public utilities, statutory bodies, non-governmental and other voluntary organisations, it said. According to GIS, the plan was coordinated by the office of the prime minister, along with a working committee of officials from the Ministries of Health, Education, Construction, the police, fire, and coast guard services, and the Red Cross Society. The Pan-Caribbean disaster preparedness and prevention project in the Caribbean provided assistance to Grenada in the setting up of the plan, it added.

COUNCILS TO BE SET UP ON WARD ISLANDS

FL282015 Bridgetown CANA in English 1836 GMT 28 Aug 85

[Text] St George's, Grenada, Aug 28, CANA -- The Grenada Government is hoping to set up 12 village councils on its ward islands of Carriacou and Petit Martinique as part of its plans to reintroduce the local government regime on the island, it was disclosed here. Local government was abolished in Grenada in 1968 by the Eric Gairy government. Its restoration was an election pledge of the ruling New National Party (NNP) government.

According to a government release, the village councils proposed for the two islands were recently approved in principle by the government of Prime Minister Herbert Blaize.

The release said that the proposals agreed to are for six district boards and 46 village councils throughout the island and for the town of St George's to be served by a municipal borough headed by a mayor.

Apart from Carriacou and Petit Martinique, there are plans to establish village councils in St George's, St Andrew's, St David's, St Patrick's, and in the other two remaining rural parishes of St Mark's and St John's. The release said that the parishes of St Patrick's, St John's and St Andrew's would also be served by town councils.

GPC APPEALS TO BLAIZE, SOUTH AFRICA'S BOTHA

FL282011 Bridgetown CANA in English 1817 GMT 28 Aug 85

[Text] St George's, Grenada, Aug 28, CANA -- The leftist Grenada Peace Council (GPC) has written Prime Minister Herbert Blaize and the president of South Africa, P.W. Botha, expressing concern about the current state of unrest in the white minority ruled Republic. The GPC is closely linked to the Soviet-backed World Peace Council.

The letters which were released to the press here were the first public comment from the organization since leftist rule ended in Grenada following the October 1983 U.S.-led invasion.

In the letter to Botha, the GPC called for a lifting of the state of emergency recently imposed by Pretoria in riot-torn black areas. The letter to Blaize called on his nine-month-old government to make a public statement on the situtation in South Africa, and to take whatever action deemed necessary to bring about an end to the present desperate plight of the black majority in South Africa.

JAMAICA

CANADA APPOINTS NEW HIGH COMMISSIONER

FL292100 Bridgetown CANA in English 2012 GMT 29 Aug 85

[Text] Kingston, Jamaica, Aug 29, CANA -- Canada has appointed a new high commissioner to Jamaica to replace David Reece who served for three years and is returning to Ottawa.

The new envoy is Robert W. Wollham. Wollham who holds a degree in agricultural economics from the University of Toronto, served here previously (1967-70) as trade commissioner. Wollham arrives here next Tuesday.

NETHERLANDS ANTILLES

GOVERNMENT BEGINS SHELL REFINERY NEGOTIATIONS

FL292154 Bridgetown CANA in English 2143 GMT 29 Aug 85

[Text] Willemstad, Curacao, Aug 29 CANA-REUTER -- The Netherlands Antilles Government has presented counter-proposals for taking over Royal Dutch Shell's 320,000 barrels per day (BPD) refinery on Curacao, official sources said.

The two sides began negotiations on Tuesday on a Shell proposal to transfer the refinery to the government of this self-governing chain of Dutch Caribbean islands for the nominal price of one guilder (1.78 U.S. dollars). In addition, Shell asked for 83 million guilders (47 million dollars) to cover the refinery's inventory of crude, chemical, and spare parts.

The source declined to comment on the government's counter proposals, but said Shell was willing to reduce its demand for a cash payment, providing the government absolved it of responsibility for damage to the environment caused by the refinery during tis 67-year existence.

The Venezuelan Government has annouced its intention to lease the refinery from the Netherlands Antilles Government for a three to five-year period once the transfer of ownership has been completed.

Deputy Minister of Energy and Mines Hernan Anzola said Venezuela wanted to keep the plant open in order to avoid an economic collapse on Curacao, an island of 160,000 people, 50 miles off Venezuela's eastern coast.

ST LUCIA

GOVERNMENT NEGOTIATES TAXATION TREATY WITH FRANCE

FL241830 Bridgetown CANA in English 1758 GMT 24 Aug 85

[Text] Castries, St Lucia, Aug 24, CANA - St Lucia and France have completed the first round of negotiations on a treaty for the avoidance of double taxation.

The talks which began here on Monday were led by Jean Francois Cou of the French Ministry of Finance, and the Permanent Secretary of the Ministry of Trade and Industry Edwin Laurent.

Permanent Secretary in the Ministry of Foreign Affairs Earl Huntley told CANA the negotiations were preliminary in nature, and there was general accord on most of the articles in the draft treaty.

The basic objective of a treaty like that is to prevent the nationals of the two countries from paying tax twice on the same income in the two countries. It a resident or national of France was here, earned money in St Lucia and was taxed on it, he would not then have to be taxed on it in France, Huntley explained that the delegations are due to meet later this year to continue negotiations.

EDUCATION MINISTER ALEXANDER RESIGNS, REPLACED

FL272253 Bridgetown CANA in English 2209 GMT 27 Aug 85

[Text] Castries, St Lucia, Aug 27, CANA -- The St Lucian minister of education resigned today and was replaced by her former deputy, the government announced.

No reason was given for the decision of Margarita Alexander, the only woman and senator in the cabinet of Prime Minister John Compton.

But political sources said Alexander was encountering problems in the running of the ministry which had been criticised by Compton for alleged inefficiency.

The new minister is Louis George, minister of state in the office of the prime minister to which he had been tranferred from the ministry of education earlier this year.

BRAZIL

SARNEY REACTS TO CHARGES ON SUBVERSIVES

PY291553 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Aug 85 p 4

[Text] Yesterday, during a meeting of the government's Political Council, President Jose Sarney condemned charges of torture and the dissemination of lists of subversive elements and asserted that the attempts to encourage revanchism "should definitely be dropped because they do not do the country any good."

Press Secretary Fernando Cesar Mesquita at Planalto Palace asserted that the rightist sector is trying to pit President Sarney against the Armed Forces because the government is investigating cases of corruption. According to the press secretary, an atmosphere to radicalize the political process does not exist. He said the charges by Deputy Sebastiao Curio (Liberal Front Party for Para State) that there are former subversive elements within the government were "foolish."

Fernando Cesar Mesquita, who said the government's concern does not interfere with its policy, added that "investigations regarding cases of corruption will continue, no matter who might be affected." He also said that the "case involving Colonel Brilhante Ustra, who tortured Deputy Bete Mendes, is a closed case."

At the end of the Political Council meeting, Deputy Pimento da Veiga, leader of the Brazilian Democratic Mobilization Party, commented that the representatives of the Democratic Alliance in Congress will try to prevent statements or speeches that might compromise the country's political situation at a time when a conciliation is necessary to consolidate the democratic regime. Pimenta da Veiga criticized the note read by Deputy Curio listing subversive elements allegedly in the government sphere. However, in analyzing this issue with President Sarney, the congressmen considered this a closed case, especially regarding the speech by Curio.

URUGUAY

SEREGNI TO GO TO SPAIN, FRANCE, FRG, CSSR

PY291657 Madrid EFE in Spanish 0146 GMT 29 Aug 85

[Text] Montevideo, 28 Aug (EFE) -- General Liber Seregni, president of the Broad Front leftist coalition, will travel to Spain on 31 August.

Broad Front sources today confirmed the trip and said that Seregni has been invited by Spanish Prime Minister Felipe Gonzalez, with whom he will meet to analyze Latin American, and especially Uruguayan, political topics.

The governments of France, West Germany, and Czechoslovakia have also officially invited Seregni to visit these countries in a tour that will begin in Madrid.